

Mid-Year Experience Analysis For Plan Year 2024

AON

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State Employee Group

Mid-Year Experience Analysis for Plan Year 2024

Section 1: Executive Summary

The purpose of this analysis is to review and update projected costs for Plan Years (calendar years) 2023, 2024, and 2025, using the Mid-Year experience of the Medical and Prescription Drug Program offered to State Active Employees and Retirees by the New Jersey State Health Benefits Program (SHBP). For this Mid-Year Analysis, projections are based on medical claims and prescription drug claims paid through September 30, 2024, and monthly census reports provided by the State through October 2024. The 2025 projections reflect January 2025 census data provided by the State.

The Mid-Year experience of the Local Government Employer Group, the School Employees' Health Benefits Program, and the Dental Plans is addressed in separate analyses.

Financial Results

Plan Year 2025

The experience of State Active Employees has continued to increase since the Plan Year 2025 Rate Setting Analysis which was based on experience incurred through December 31, 2023. Projected 2025 Active per member costs are now projected to be 3.1% higher than the previous analysis. The experience of State Retirees has improved. Projected 2025 Retiree per member costs are now projected to be 0.7% lower than the previous analysis.

On a gross cost basis, the increase in Active per member cost has driven a 2.3% increase in combined Active and Retiree plan costs.

Plan Year 2024

Plan Year 2024 costs reflect additional actual 2024 claim data through September 2024 and actual enrollment data through October 2024. In total, the projected cost for Plan Year 2024 increased 3.0% from the projected cost shown in the Plan Year 2025 Rate Setting Analysis.

Plan Year 2023

The updated data used in this Mid-Year Analysis impacted Plan Year 2023 costs mainly through additional run-out claims and updated Rebate and EGWP amounts. Total projected aggregate costs decreased 0.6% from the most recent projected costs provided in the Plan Year 2025 Rate Setting Analysis.

A more detailed description of the financial gains and losses is included in Sections 2 and 4 of this analysis.

Benefit Plans Maintained by the SHBP

The State of New Jersey operates the SHBP as a multiple-option program for State Employees and Retirees. For purposes of this analysis, it is assumed that self-Insured medical plan options are administered by Horizon and Aetna, fully insured Medicare Advantage plans are administered by Aetna, and the prescription drug program is administered by Optum. The following medical plan options are assumed to be offered in Plan Year 2025:

Plan Type	Horizon	Aetna
Unity PPO	CWA Unity / NJDIRECT	CWA Unity Freedom / Freedom
Unity 2019 PPO (Active Only)	CWA Unity 2019 / NJDIRECT 2019	CWA Unity Freedom 2019 / Freedom 2019
PPO10 (Retiree Only)	NJDIRECT10	Freedom 10
PPO15	NJDIRECT15	Freedom 15
PPO1525	NJDIRECT1525	Freedom 1525
PPO2030	NJDIRECT2030	Freedom 2030
PPO2035 (Active Only)	NJDIRECT2035	Freedom 2035
HDLow	Horizon HDLow	Freedom HDLow
HDHigh	Horizon HDHigh	Freedom HDHigh
HMO10 (Retiree Only)	Horizon HMO10	Aetna HMO10
HMO15 (Active Only)	Horizon HMO15	Aetna HMO15
HMO1525 (Retiree Only)	Horizon HMO1525	Aetna HMO1525
HMO2030 (Retiree Only)	Horizon HMO2030	Aetna HMO2030
Tiered Network	OMNIA	Liberty Plus

- All Medicare Advantage PPO and HMO plan options for Medicare-eligible members in Plan Year 2025 will be administered by Aetna: PPO10, PPO15, HMO10 and HMO1525.
- Medicare-eligible members enrolled in Horizon's PPO or HMO plans are covered under Horizon's self-insured Medicare Supplement plans: HMO10, PPO1525, HMO1525, PPO2030 and HMO2030.
- Active Employees and Retirees are also enrolled in a Prescription Drug Plan, which is administered by Optum. The prescription drug card benefit options are linked to medical plan selection.

Medical and prescription drug benefit designs are summarized in Exhibit 4.

Change Healthcare Cyber Attack

On February 21, 2024, Change Healthcare became aware of a data breach, which resulted in a shutdown of their systems. Change provides a service whereby providers and facilities may submit claims for adjudication and payment collection. As a result of the data breach, there could be additional delays on claims reporting and payments. For purposes of this analysis, it is assumed that claim reporting delays associated with the Change Healthcare cyber attack have been resolved and no adjustment is necessary for Active, Early Retiree, or Medicare Retiree medical claims.

Additional Disclosures

The projections in this analysis are measured on an incurred basis and are consistent with the assumptions and methodology disclosed herein. Future projections may differ significantly from the current projections presented in this analysis due to (but not limited to) such factors as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions;
- Changes in actuarial methods or in economic or demographic assumptions;
- Changes in plan provisions or applicable law.

This analysis contains the primary actuarial assumptions and methods used to develop the cost projections but may not include a comprehensive list of these methodologies and assumptions. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience.

Section 2: Historical Overview

The following benefit and plan adjustments have been incorporated into the 2024 Mid-Year Analysis. There have been no changes from the Plan Year 2025 Rate Setting Analysis other than those noted below.

Plan Benefit and Other Changes

The following plan design changes were approved by the SHBP Plan Design Committee for Plan Year 2017 and were subsequently reaffirmed. They are assumed to continue to be in effect for Plan Year 2025:

- Reimbursement Change for Out-of-Network (OON) Services: All PPO plans limit plan payments for out-of-network physical therapy, chiropractor, and acupuncture services. This change applies to both SHBP Actives and SHBP Early Retirees.
- Mandatory Generic: For all multi-source drugs (brand drugs with generic equivalents available), the SHBP plan pays for the cost of the generic equivalent. Members who choose to fill the prescription for the brand name drug are responsible for the generic copay, plus the difference in cost. This applies to Active and Early Retiree prescription drug plans only.
- Prescription Drug Formulary: All SHBP Active and Early Retiree prescription drug plans conform to Optum's Premium Formulary, which directs prescriptions to more cost-effective, clinically-equivalent medications.
- Step Therapy Changes: State Active employees who were not previously impacted by Step Therapy are now subject to this program. Step Therapy requires members to try a more cost-effective, clinically-equivalent drug before certain drugs will be covered.
- Active Mail Order Generic Copays: Generic drugs filled through OptumRx's Mail Order Pharmacy are subject to a \$0 copay for all Active members.
- Retiree Mail Order Preferred Brand Copays: For retiree members enrolled in the PPO10 and PPO15 medical plans, preferred 90-day prescription drugs are subject to a \$28 copay.
- EGWP Specialty Rx Copays: 30-day copayments for Specialty Pharmacy Drugs for Employer Group Waiver Plan (EGWP) retirees are subject to a reduced copay as outlined in resolution 2023-2.
- Tiered Network Incentive: Grants a financial incentive payment of \$1,000 to State Active employees who are first time enrollees in the Tiered Network plan and enrolled in the Tiered Network Plan for one full Plan Year.

Additional Plan Design Changes that have been approved and will be in effect for Plan Year 2025 are as follows:

- **Urgent Care Copay:** On September 14, 2022, the SHBP Plan Design Committee approved resolution 2022-7 which increases the urgent care copay for State Active members enrolled in the Unity PPO, Unity 2019 PPO, HMO, and Tiered Network plan options to \$30 higher compared to the current PCP copay. The impact of this change is assumed to be reflected in the underlying claims data.
- **Specialist Copay:** On September 14, 2022, the SHBP Plan Design Committee approved resolution 2022-6 which increases the specialist copay for State Active members enrolled in the Unity PPO, Unity 2019 PPO, HMO, and Tiered Network plan options to \$15 higher compared to the current PCP copay. This change applies to all services currently subject to the specialist copay with the exception of obstetrics and gynecology specialist visits. The impact of this change is assumed to be in the underlying claims data.
- **HMS Data Integrity Vendor:** In accordance with Public Law 2019, Chapter 143, the State conducted a bid solicitation awarding HMS the opportunity to provide Medical Claims Review and Data management services for self-insured Active, Early, and Medicare Retirees. This law requires the third party Medical Claims Reviewer to provide ongoing review and oversight of current medical claims processes. In addition, the Medical Claims Reviewer also must collect, store and maintain a secure archive of medical and prescription drug claims and other health services payment information, as well as document the cost and nature of claims incurred, demographic information on the covered population, emerging utilization and demographic trends. Savings for this change are assumed to be in the underlying claims experience and will continue in Plan Year 2025. Estimated fees are based on amounts provided by the State and are assumed to increase 2.5% each year. This program is assumed to not impact Medicare Retirees.
- **Medicare Eligibility Vendor:** The State implemented SSDC services to identify and conduct outreach to pre-65 retirees and spouses who are currently eligible or could become eligible for Medicare, in order to ensure enrollment in Medicare when appropriate. Estimated savings for this program are assumed to be in the underlying claims experience. Estimated fees are based on amounts provided by the State and are assumed to increase 2.5% each year. This program does not impact Actives and Medicare Retirees.
- **eviCore:** Effective January 1, 2021, the State implemented eviCore's Advanced Imaging Solution, which delivers cost savings and improved patient outcomes by guiding members to receive the appropriate test or treatment using prior authorizations and medical necessity reviews. This program was retroactively terminated effective January 1, 2024. Updated 2024 capitation amounts excluding eviCore were provided by Horizon. Due to the mid-year timing of the termination of this program, the claim expenses in place of eviCore through August 2024

were not included in Horizon claim feeds through August 2024. Horizon provided separate claim experience data for this, which was annualized and added to the underlying claims included in these projections. For Plan Year 2024, these amounts are estimated to be \$40.4M for State Actives and \$8.8M for State Early Retirees.

- Livongo Diabetes Management: Effective January 31, 2020, Livongo, a diabetes management program was launched for Actives and Early Retirees. The goal of the program is to help keep members living with diabetes in the safe zone of blood glucose levels by providing a cellular-enabled glucometer with testing strips and access to coaching and a 24/7 chat feature. Livongo identifies eligible participants through Medical and Rx claims data and sends targeted communications to members for enrollment. Livongo analyzes data to personalize the program for each member and provide real-time health insights. This program is assumed to be terminated effective July 1, 2024 which is assumed to have no claim impact. Estimated fees for this program have been removed from 2025 projections. This program does not impact Medicare Retirees.
- Livongo Whole Person: Beginning Plan Year 2021, Livongo also implemented the Livongo “Whole Person”, which provides a broader suite of services such as Livongo for Cardiovascular, Livongo for Weight Management, and Livongo for Behavioral Health in addition to the Livongo for Diabetes Management in effect since January 31, 2020. This program is assumed to be terminated effective July 1, 2024 which is assumed to have no claim impact. Estimated fees for this program have been removed from 2025 projections. This program does not impact Medicare Retirees.
- Hinge Health: Effective 2021, the State implemented Hinge Health, a coach-led, digital program using sensor guided exercise therapy for chronic back and joint pain. This program is assumed to be terminated effective July 1, 2024 which is assumed to have no claim impact. Estimated fees for this program, which previously flowed through the claims wire, are assumed to be immaterial so no adjustment has been made. This program does not impact Medicare Retirees.
- Amino: Effective 2021, the State implemented Amino, a provider directory promoting transparency that helps employees make smarter healthcare choices. The tool matches members with the highest quality, lowest cost in-network providers for their specific needs. This program is assumed to be terminated effective March 1, 2024 which is assumed to have no claim impact. Estimated fees for this program have been removed from 2025 projections.
- Wondr Health: Effective 2021, the State implemented Wondr Health, an online weight loss program that uses informative videos and learning tools to teach participants how to lose weight and improve their overall health. This program is assumed to be terminated effective July 1, 2024 which is assumed to have no claim impact. Estimated fees are paid through Horizon and are assumed to be immaterial so no adjustment has been made. This program does not impact Medicare Retirees.

- Included Health (Formerly Grand Rounds): The State eliminated Included Health's Expert Medical Second Opinion Solution in 2023. The program provided guidance for members to access expert second opinions for health conditions and cases to ensure the right diagnosis and treatment plan while reducing unnecessary procedures and costs. No adjustments to claims or fees are included to reflect the elimination of this program for purposes of the rate setting projection.
- Humira replacement with Biosimilar: Effective 2025, Optum Rx will prefer FDA-approved interchangeable adalimumab biosimilars on its commercial formularies with \$0 copays for patients who utilize the available manufacturer copay assistance program. After a rigorous evaluation of this maturing adalimumab category, Optum Rx will prefer the biosimilar Amjevita. This change does not impact current members utilizing Humira who will be able to continue therapy with no change in medication. As a result, no adjustment has been made to projected prescription drug claims for this change.

For all instances where Aon assumes no claim impact for the removal of vendor programs and services, Aon has not completed ROI analysis and is not representing an opinion whether the program independently provided claim savings.

Vendor Changes

Medical Vendors: Effective July 1, 2024, State Actives and Early Retirees will have a choice of enrolling in self-insured medical plan options with either Horizon or Aetna. Both vendors will offer identical versions of each plan option, except the Self-Insured Medicare plan options which will continue to only be offered by Horizon. All fully insured Medicare Advantage plans are assumed to continue to be administered by Aetna.

Pharmacy Benefit Manager: Optum is assumed to administer all of the prescription drug plans in Plan Year 2025.

Federal Health Care Reform

IRS Health Savings Account (HSA) Requirements: On August 23, 2023, the SHBP Plan Design Committee approved resolutions 2023-11 and 2023-12, which rename the HD1500 and HD4000 to the HDLow and HDHigh plan options, respectively. As part of these resolutions, the plans' deductibles and out-of-pocket maximums will be indexed each year aligning with the IRS inflation-adjusted deductible increases and out-of-pocket maximums will be adjusted to maintain a consistent distribution between deductibles and out-of-pocket maximums. For Plan Year 2025, the HDLow and HDHigh in-network deductibles and OOP maximums will increase \$50/\$100 (Single/Family), consistent with the change in the IRS minimum deductibles for HSA qualified plans. The impact of these changes is based Aon's Actuarial Value model.

In-Network Out-of-Pocket Maximum: Effective January 1, 2025, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$9,200 single / \$18,400 family. This benefit change will not have a significant impact on projected costs. The chart below summarizes a history of these out-of-pocket maximums:

Plan Year	Out-of-Pocket Maximum (Single/Family)
2023	\$9,100 / \$18,200
2024	\$9,450 / \$18,900
2025	\$9,200 / \$18,400

Health Insurance Exchanges: The public health insurance exchanges that are mandated by Federal Health Care Reform (which began in 2014), and the State's marketplace effective for coverage in 2021 and later, are assumed to have minimal impact on enrollment or cost levels within the SHBP due to the SHBP low employee contributions and rich benefit designs.

Full-Time Employee Definition: The Patient Protection and Affordable Care Act (Affordable Care Act) defines full-time employees as employees who work 30 or more hours per week. The employer mandate, which is applicable to full-time employees, was essentially first effective January 1, 2015. This requirement is not projected to have a cost impact on the SHBP because in general, the State offers coverage to all full-time employees.

No Surprises Act: Effective January 1, 2022, medical carriers must provide a reasonable estimate of the expected cost of a service before the service is carried out on a patient. This law is designed to regulate the frequency of surprise billings.

Inflation Reduction Act of 2022: In August 2022, the Inflation Reduction Act of 2022 (IRA) was signed into law. This law restructures the Standard Medicare Part D prescription drug benefit and revenue payments to plans beginning in 2023, with the most significant changes taking place in 2025. On July 29th, 2024, the Centers for Medicare and Medicaid Services (CMS) released the national average of individual market bids for 2025 and the national average bid (NAB) amount came in higher than most estimates. The NAB is the key driver of the Direct Subsidy component of revenue paid to plans, including the SHBP EGWP. In addition, CMS announced a voluntary premium stabilization demonstration program which provides plans with participating carriers an additional \$15 PMPM (before adjustment for sequestration) of Direct Subsidy revenue in 2025. Optum elected to participate in this program, so the plan will receive this additional revenue. The 2025 EGWP plan costs reflect IRA cost impacts provided by Optum. Given these additional revenues from the July announcement, the projected changes in costs and revenue from the IRA mostly offset.

New Jersey State Mandates

S1614: Effective January 2024, this bill requires health insurance carriers to provide coverage for epinephrine auto-injector devices and asthma inhalers. The bill limits cost sharing for health insurance coverage of insulin. There is no expected cost associated with mandate.

A5235: Effective July 2024, this act revises health insurance coverage for the treatment of infertility. Based on information from Horizon, this change is projected to increase Active claims 0.35% as of the effective date. This is assumed to have no impact on Early and Medicare Retirees.

S2535: Effective April 2024, this bill requires health benefits coverage of hearing aids and cochlear implants. Based on information from Horizon, this change is projected to increase Active claims 0.44% as of the effective date. This is assumed to have no impact on Early and Medicare Retirees.

A1255: Effective April 2024, this act updates requirement and standards for authorization and prior authorization of health care services. There is no expected cost associated with this mandate.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns among the SHBP benefit offerings during Plan Years 2022 through 2024 and includes Aon's projection of Plan Year 2025 enrollment. The enrollment assumptions for Plan Years 2022 through 2024 are equal to monthly snapshot census data through October 2024 provided by the State. Projected Plan Year 2025 enrollment is equal to January 2025 census data provided by the State. Based on January 2025 census data, State Active Employee enrollment has increased 2.0%, State Early Retirees have decreased by 3.7%, and State Medicare Retirees have increased 0.7% compared to Plan Year 2024 enrollment.

Exhibit 1B reflects the distribution of projected Plan Year 2025 enrollment among benefit options. Approximately 14% of State Actives are assumed to be enrolled in the PPO15 plan and 65% of State Actives are assumed to be enrolled in the Unity PPO plans. Enrollment in the Tiered Network plans is projected to be approximately 13% of the total Active enrollment. Approximately, 73% of State Retirees are assumed to be enrolled in the PPO10 plan or the PPO15 plan.

Exhibit 1C shows the 2025 enrollment distribution by benefit option and coverage tier.

Dependents per Subscriber reflect ratios using monthly provided dependent and census data through January 2025 provided by the Division.

Aetna Enrollment

Effective July 1, 2024, all Actives and Early Retirees will have a choice of enrolling in self-insured medical plan options with either Horizon or Aetna. For this analysis, enrollment through October 2024 is based on monthly snapshot census data. Plan Year 2025 enrollment is based on January 2025 census data provided by the State. No additional carrier migration is assumed.

Section 3: Trend Analysis

Trend assumptions have been reviewed from the Plan Year 2025 Rate Setting Analysis based on a combination of updated experience data, expectations of future trends, Aon national trend guidance, and Horizon and Optum trend rate recommendations. The following table shows the current trend assumptions:

	Plan Year 2024		Plan Year 2025	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives	7.00%	13.50%	7.50%	12.50%
PPO Early Retirees	7.00%	13.00%	7.50%	12.50%
Self-Insured Medicare Retirees	5.50%	13.50%	5.50%	13.00%
HMO/Tiered Network Actives	7.00%	13.50%	7.50%	12.50%
HMO/Tiered Network Early Retirees	7.00%	13.00%	7.50%	12.50%

*The trend rates shown above reflect the trend to get from the prior year to the Plan Year specified above. For example, Plan Year 2024 trend corresponds to the trend increase from Plan Year 2023 to Plan Year 2024.

The Medicare Retiree medical trend assumptions do not apply to the fully insured Medicare Advantage plans as these premium rates are provided by Aetna.

The recommended trends are developed using vendor recommended trends, national Aon trend guidance (which reflects vendor surveys, Pharmacy Benefit Manager national surveys and other external sources), as well as actual SHBP plan experience adjusted for expected future trends.

For purposes of this analysis, the recommended medical and Rx trends are consistent with the Final Plan Year 2025 Rate Setting Analysis.

The Medicare Advantage rates in Plan Years 2024 and 2025 were provided by Aetna. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2024 and 2025.

State	Aetna Medicare Advantage Rates			
	2024	2025	\$ Change	
PPO 10	\$ 109.25	\$ 119.25	\$	10.00
PPO 15	\$ 91.11	\$ 101.11	\$	10.00
HMO 10	\$ 172.00	\$ 182.00	\$	10.00
HMO 1525	\$ 136.57	\$ 146.57	\$	10.00

Section 4: Financial Projections

Aggregate Financial Projections

Using the key assumptions and the methodology described in Section 5 (Cost Projection Methodology), the updated estimated costs for Plan Years 2023, 2024 and 2025 are shown below.

SHBP State Projected Financial Results

(\$ millions)

	Unity PPO	PPO 10	PPO 15	Legacy HMOs	Other Plans	Total
Plan Year 2023						
Premium Rates x Enrollment	\$1,396.2	\$57.1	\$721.8	\$189.1	\$218.2	\$2,582.4
Incurred Claims	\$1,338.2	\$55.3	\$729.5	\$168.5	\$175.0	\$2,466.5
Administrative Charges	\$53.6	\$2.4	\$26.1	\$8.3	\$14.2	\$104.6
Net Gain (Loss)	\$4.4	(\$0.6)	(\$33.8)	\$12.3	\$29.0	\$11.3
Plan Year 2024						
Premium Rates x Enrollment	\$1,478.2	\$55.4	\$709.6	\$177.0	\$265.2	\$2,685.4
Incurred Claims	\$1,500.3	\$49.2	\$749.2	\$157.2	\$232.4	\$2,688.3
Administrative Charges	\$57.8	\$1.8	\$24.9	\$7.5	\$18.3	\$110.3
Net Gain (Loss)	(\$79.9)	\$4.4	(\$64.5)	\$12.3	\$14.5	(\$113.2)
Plan Year 2025						
Premium Rates x Enrollment	\$1,662.2	\$55.6	\$752.5	\$180.8	\$306.8	\$2,957.9
Incurred Claims	\$1,637.6	\$51.1	\$770.4	\$155.3	\$285.2	\$2,899.6
Administrative Charges	\$59.5	\$1.9	\$24.6	\$7.1	\$19.4	\$112.5
Net Gain (Loss)	(\$34.9)	\$2.6	(\$42.5)	\$18.4	\$2.2	(\$54.2)

Notes:

- Other Plans include the 15/25 PPO, 15/25 HMO, 20/30 PPO, 20/30 HMO, 20/35 PPO, 20/35 HMO, HD1500/HDLow, HD4000/HDHigh, and Tiered Network plan options.
- Incurred Claims includes medical claims, Rx claims, MA premiums, capitation, and Rx rebates.
- Totals may not add due to rounding.

Updated Plan Year 2023 cost decreased by \$14.9 million from the Plan Year 2025 Rate Setting Analysis. Plan Year 2024 costs have increased approximately \$80.7 million from the projected cost shown in the 2025 Rate Setting Analysis. This increase in actual cost vs. premium rates leads to a projected loss for Plan Year 2024 of \$113.2 million.

The Plan Year 2025 Active and Retiree total premiums are projected to increase by 0.4% with updated enrollment from those originally shown in the Plan Year 2025 Rate Setting Analysis while total plan costs reflecting updated claims experience are projected to be 2.3% higher. The combined overall projected net loss for Plan Year 2025 is approximately \$54.2 million.

More detailed aggregate projections are provided in Exhibit 3.

Claim Cost Driver Analysis

The premium rates outlined in the Plan Year 2025 Rate Setting Analysis were developed using 2023 incurred claims projected to 2024 and 2025. The updated projections outlined in this analysis reflect updated claims experience through September 2024 and updated assumptions. Differences between the projected 2024 claims experience in the Plan Year 2025 Rate Setting Analysis and the actual experience as well as updated assumptions contribute to Plan Year 2025 gains and losses.

Active Medical

Plan Year 2024 actual and projected State Active per member per month (PMPM) medical claims experience is 1.7% higher than expected. Based on rolling-12 month reporting through September 2024 provided by Horizon, which represents 98.6% of 2024 Active Enrolment, medical claim experience was driven by the following:

- Medical claims for outpatient services increased, with a total annual trend of 12%, including an 6% increase in the cost per visit and a 5% increase in utilization.
- Outpatient utilization increased for services that are higher cost, including ambulatory outpatient (+9% utilization), outpatient medical pharmacy (+6% utilization), outpatient radiology (+12% utilization), and outpatient surgery (+2% utilization).
- Overall, inpatient visits decreased 5% but this was offset by a 7% increase in the cost per visit. Additionally, professional visit utilization remained level, but the cost per visit increased 7%.

Overall, the 2025 Medical claims are projected to be 2.0% higher than what was projected in the Plan Year 2025 Rate Setting Analysis.

Active Rx

For Plan Year 2024, actual and projected State Active PMPM prescription drug claims experience is 5.4% higher than expected. Based on YTD September 2024 Optum reporting, Rx claim increases were driven by the following:

- Drugs for inflammatory conditions rank number one in terms of spend by disease state, and PMPM claims spend for inflammatory conditions increased 17.6% in 2024. The top drugs in this category were Humira Pen, Stelara, and Dupixent.
- PMPM Drug Spend for weight loss drugs (such as high cost GLP-1 medications) increased 91.0%. Among all drugs, Wegovy and Zepbound, both anti-obesity GLP-1 drugs, ranked first and eighth in terms of individual drug spend, respectively.

- Similarly, PMPM Drug Spend for diabetes drugs (including GLP-1 medications) increased 12.3%. Among all drugs, Ozempic and Mounjaro, both anti-diabetic GLP-1 drugs, ranked third and fifth in terms of individual drug spend, respectively.
- Overall specialty drug claims PMPM increased 18.4%, which was driven by inflammatory conditions (noted above) and oncology.

For plan year 2025, Rx claims net of rebates are 6.0% higher than compared to the Plan Year 2025 rate setting analysis.

Early Retiree Medical

For Plan Year 2024, actual and projected State Early Retiree PMPM medical claims experience is 2.9% higher than expected. Based on data provided by Horizon, which represents 97.8% of 2024 Early Retiree Enrolment, medical claim experience was driven by the following:

- Medical claims for outpatient services increased, with a total annual trend of 17%, including a 10% increase in the cost per visit and 6% increase in utilization. Ambulatory, Radiology, and Surgery utilization increased 6%, 10% and 5%, respectively.
- Overall, inpatient visits decreased 12% while the cost per visit increased 16%. Additionally, professional visits increased 5% while the cost per visit increased 9%.

Overall, the 2025 Medical claims are projected to be 2.0% higher than what was projected in the Plan Year 2025 Rate Setting Analysis.

Early Retiree Rx

For Plan Year 2024, actual State Early Retiree PMPM medical claims experience was 3.7% higher than expected. Based on YTD September 2024 Optum reporting, Rx claim increases were driven by the following:

- Drugs for inflammatory conditions rank number one in terms of spend by disease state, and PMPM claims spend for inflammatory conditions increased 15.8% in 2024. The top drugs in this category were Humira Pen, Stelara, and Dupixent.
- PMPM Drug Spend for weight loss drugs (such as high cost GLP-1 medications) increased 133.6%. Among all drugs, Wegovy and Zepbound, both anti-obesity GLP-1 drugs, ranked first and tenth in terms of individual drug spend, respectively.
- Similarly, PMPM Drug Spend for diabetes drugs (including GLP-1 medications) increased 12.8%. Among all drugs, Ozempic and Mounjaro, both anti-diabetic GLP-1 drugs, ranked second and fourth in terms of individual drug spend, respectively.

- Overall specialty drug claims PMPM increased 17.9%, which was driven by inflammatory conditions (noted above) and oncology.

Plan Year 2025 Rx claims net of rebates are 3.1% higher in 2024 compared to expected.

Medicare Retiree Medical

89% of Medicare Retiree Members are enrolled in Medicare Advantage plans, and the majority of the medical plan cost is equal to the Medicare Advantage Premium multiplied by membership.

Medicare Retiree Rx

For Plan Year 2024, actual State Medicare Retiree PMPM prescription drug claims experience was 1.3% lower than expected. Based on data provided by Optum, Rx claim increases were driven by the following:

- Drugs for diabetes rank number one in terms of spend by disease state, and PMPM claims spend increased 7.5% in 2024.
- Specialty drug claims PMPM increased 16.7%, driven by increases in spend for oncology, inflammatory conditions, immune globulin, and cardiovascular drugs.

In addition to updated claims experience, projected 2025 EGWP credits provided by Optum are estimated to be 3% higher than expected. Overall, 2025 claims net of rebates and EGWP credits are projected to be 6.6% lower than expected.

Self-Insured Vendor Administrative Fees and Claim Charges

Below are Plan Year 2025 administrative fees and other claim charges, as applicable, separately by each of the medical and prescription drug vendors. Plan Year 2025 Horizon and Aetna ASO fees vary by the number of self-insured Medical subscribers enrolled with each vendor. Fees shown below are based on projected 2025 subscriber enrollment as outlined in this analysis. The fees are reported by the vendors in different categories and may appear aggregated within different rows in Exhibit 3, including incurred medical and prescription drug claims, capitation and administrative fees.

Horizon & Aetna Medical PEPM Fees/Charges

	PEPM Fees				
	PPO	HMO	Tiered	HDHP	Medicare Retirees
Horizon					
Total ASO Fee	\$33.72	\$43.72	\$45.72	\$36.33	\$28.91
NJWELL Program - Base Fee	\$20.90	\$20.90	\$20.90	\$20.90	n/a
Healthy Lifestyle Coaching - Telephonic	\$1.58	\$1.58	\$1.58	\$1.58	n/a
Aetna					
Total ASO Fee	\$44.77	\$64.71	\$73.17	\$46.72	n/a
NJWELL Program - Base Fee	\$3.05	\$3.05	\$3.05	\$3.05	n/a
Healthy Lifestyle Coaching - Telephonic	\$1.47	\$1.47	\$1.47	\$1.47	n/a

* Wellness fees are per attributed NJWELL employee and paid on a Per Enrolled Per Month basis. An attributed member is defined as an employee that is engaged in the wellness platform through completion of one or more of the point-achieving activities including, but not limited to, Health Assessment, Biometric Screening, Flu Shots, Telemedicine Wellness/Disease Management Coaching, Online Activities, etc. The NJWELL program includes access to WebMD wellness resources, custom rewards lobby, online tracking tools, monthly webinars and a comprehensive Health Management portal to track all activities.

Other fees/claim charges that may be included within the incurred medical and prescription drug claims, capitation and administrative fees within Exhibit 3 include but are not limited to:

- Episodes of care, outcome based payments, and care coordination
- DPCMH and PCMH administrative fees and capitation amounts
- Horizon bFit fitness incentive program
- Claim recovery services
- Third Party Vendor Program Fees

Due to limited data, certain Aetna passthrough fees are assumed to be equal to Horizon for projection purposes.

Prescription Drug Fees

Optum's administrative fees for the prescription drug program for Plan Year 2025 are assumed to be \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP. EGWP projections also include projected fees for the new Medicare Prescription Payment Plan (known as M3P) that was introduced under the Inflation Reduction Act of 2022 for Plan Year 2025.

Section 5: Cost Projection Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2023, 2024, and 2025, separately for each PPO, Tiered Network, HMO and High Deductible plan. Costs were projected separately for each benefit plan, with the Unity PPO plans considered as one plan for legacy employees and separately for post-2019 hires. Cost are also projected separately for Actives, Early Retirees and Medicare Retirees, and separately for medical claims, prescription drug claims, administrative costs.

Medical and Prescription Drug Claim Projections

1. Using 12 months of claims data paid through September 2024 provided by Horizon, Aetna, and Optum, incurred claims were completed and projected for Plan Year 2024, separately for each benefit plan, for medical versus prescription drugs, and for Actives, Early Retirees, and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims.
3. Estimated incurred claims in Plan Year 2024 were divided by average covered members to get average claims per member per year. Covered members were based on historical monthly snapshot census data and adjusted with assumptions for the number of members per coverage tier.
4. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2025 using the annual trend rates listed in the Trend Analysis section of this document and incorporate the impact of any plan design changes. Projected Aetna average Active and Early Retiree self-insured medical claims are based on projected Horizon amounts with adjustments for network differences. Projected Aetna Active and Early Retiree Rx claims are assumed to be equal to Horizon amounts.
5. Aggregate claims for Plan Year 2025 are the product of projected enrollment and the projected claims per member.
6. Plan Year 2025 projected Medicare Advantage fully insured premiums are based on rates provided by Aetna.
7. Prescription drug rebates for Plan Year 2023 are based on actual rebate payment data received from the State. Plan Year 2024 actual rebates and Plan Year 2025 projected rebates are based on data provided by Optum.
8. Prescription drug rebates paid through the medical plan for Plan Year 2023 and 2024 are based on actual rebate payment data provided by Horizon. Prescription Drug Rebates

estimated to be paid through the medical plan for Plan Year 2025 are incorporated in the medical claim projections and are based on the actual Plan Year 2024 data provided by Horizon.

9. EGWP projections include monthly CMS capitation payments per Medicare-eligible Retiree for prescription drug coverage, prescription drug manufacturers' coverage gap reimbursement payments, an annual CMS payment for reinsurance on catastrophic claims, and CMS Low Income Cost Sharing (LICS) payments. These amounts are equal to recommendations from Optum for Plan Years 2023, 2024, and 2025.
 - a. CMS per capita payments: Plan Years 2023, 2024, and 2025 expected CMS per capita payments were provided by Optum. The Plan Year 2025 CMS per capita payment is assumed to be \$120.04 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2023, 2024, and 2025 expected coverage gap payments were provided by Optum. The Plan Year 2025 credits are assumed to be \$122.16 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2022 credit is not expected to be fully paid until the beginning of Plan Year 2025. Plan Years 2023, 2024, and 2025 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2025 credits are assumed to be \$91.27 PMPM.
 - d. Low Income Cost Sharing Payments: Plan Years 2023, 2024, and 2025 actual and expected LICS payments were provided by Optum. For Plan Year 2025, the subsidy payment is assumed to be \$0.20 PMPM.
10. Total SHBP projected Plan Year 2025 claim costs are the sum of projected medical and prescription drug claims, capitation charges, payments from CMS related to EGWP Plus Wrap, and prescription drug rebates.
11. Tiered Network Active projected costs in Plan Year 2025 reflects 80% of actual Plan Year 2024 medical and prescription drug claim experience. The actual experience is blended with PPO15 claims experience adjusted for the difference in plan design.
12. State Early Retiree projected Unity PPO costs in Plan Year 2025 reflect 75% of actual Plan Year 2024 medical and prescription drug claim experience. The actual experience is blended with PPO15 claims experience adjusted for the difference in plan design.

13. Due to small enrollment and claims data, projected claims for some plans are based on PPO15 claims experience adjusted for the expected relative plan cost differences. These include:
 - a. Early Retirees: HDHigh, HDLow, and Tiered Network options
14. Base administrative fees per subscriber per month or per member per month are multiplied by the projected average enrollment for the applicable projection Plan Year. Plan Year 2025 prescription drug administrative fees were provided by Horizon and Optum.
15. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected to be equal to \$13.4 million for Plan Year 2025. Actual Plan Year 2023 overhead charges were provided by the State and were used to project charges for Plan Year 2025.
16. Additional fees and claim charges reported by the vendors have been reflected in the projections.

Projected Gains/Losses

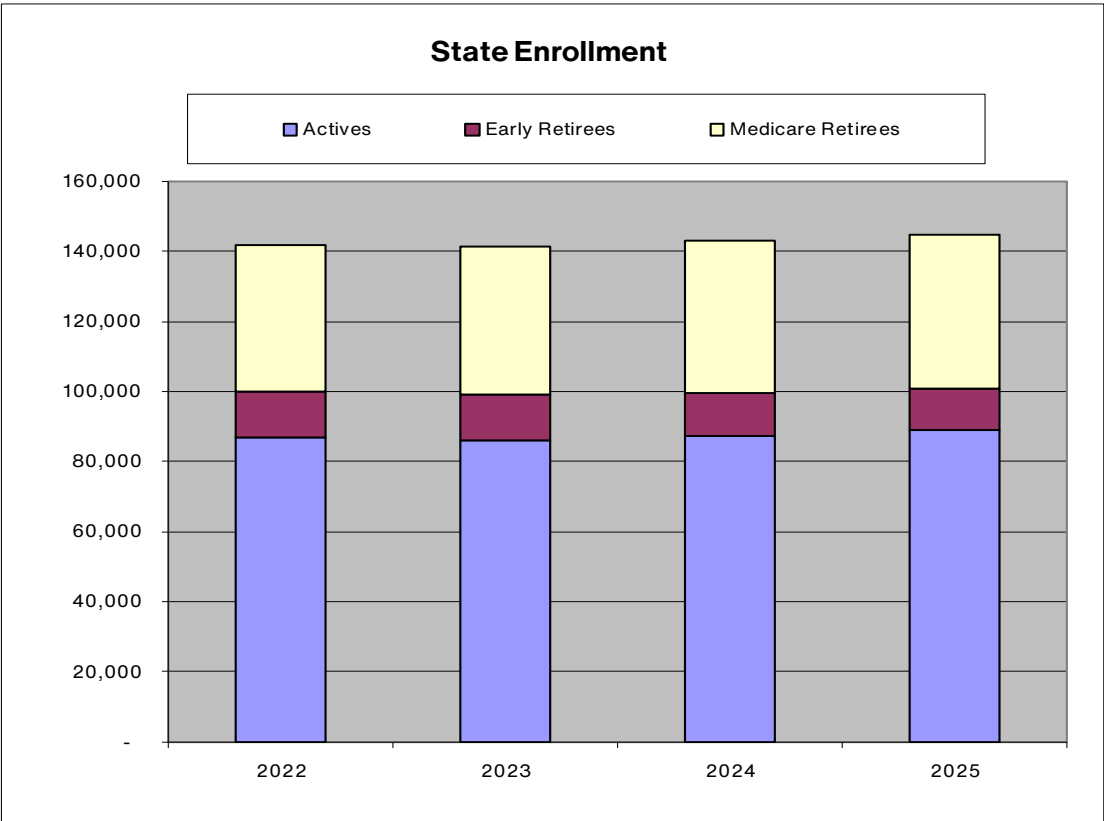
For each year, the projected gain or loss is equal to projected aggregate premiums (projected premium rates times projected enrollment) minus projected total aggregate costs.

Data Assumptions

1. Claims: For medical and prescription drug claims, Aon is using claim files from each of the vendors which have claims incurred and paid through September 30, 2024 for all groups.
2. Enrollment: Plan Year 2024 enrollment projected enrollment is based on actual census data provided by the State through October 2024. Plan Year 2025 projected enrollment is based on January 2025 census data provided by the State. Actual monthly census data from the Division is used for the exposure units in the cost analysis.

Section 6: Exhibits

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 1A – Enrollment Projections

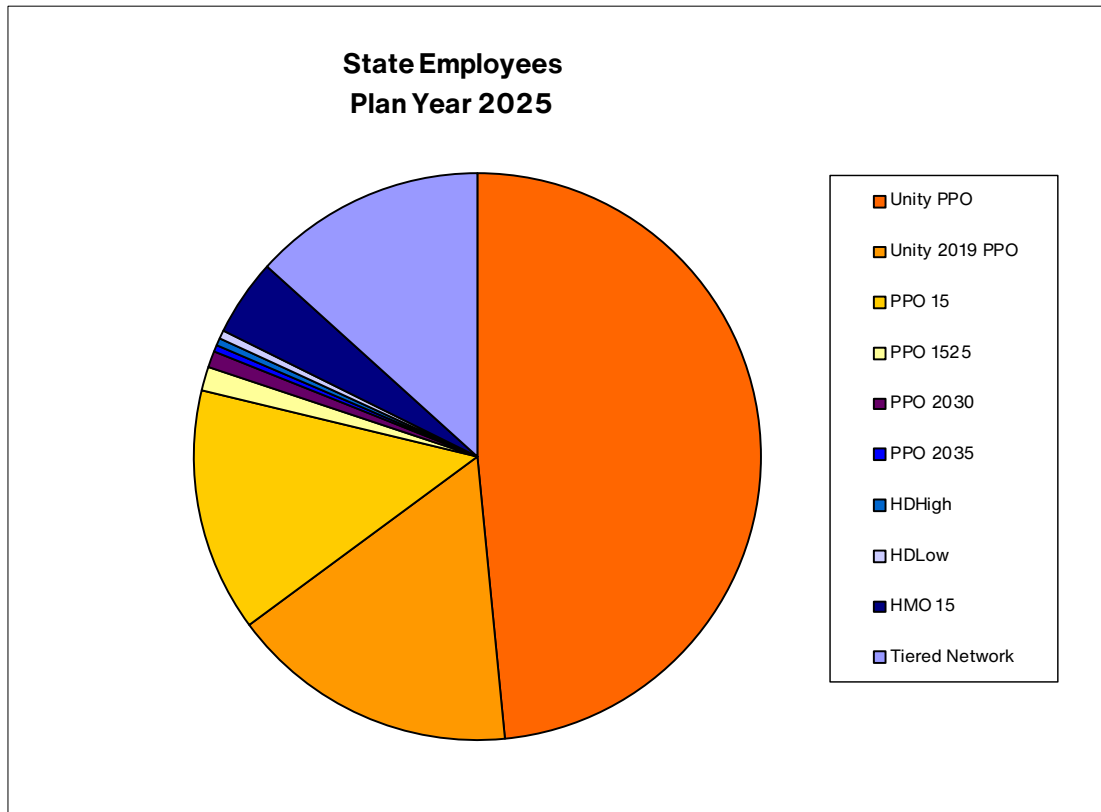


	Annual Change in Enrollment		
	Actual	Actual	Actual
	<u>2022 to 2023</u>	<u>2023 to 2024</u>	<u>2024 to 2025</u>
Actives	(1.1%)	1.5%	2.0%
Early Retirees	(1.9%)	(3.9%)	(3.7%)
Medicare Retirees	2.2%	1.9%	0.7%

Actual 2025 enrollment for Active Employees and Retirees is based on actual census data provided by the Division as of January 2025

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 1B – Active Employee Enrollment Distribution



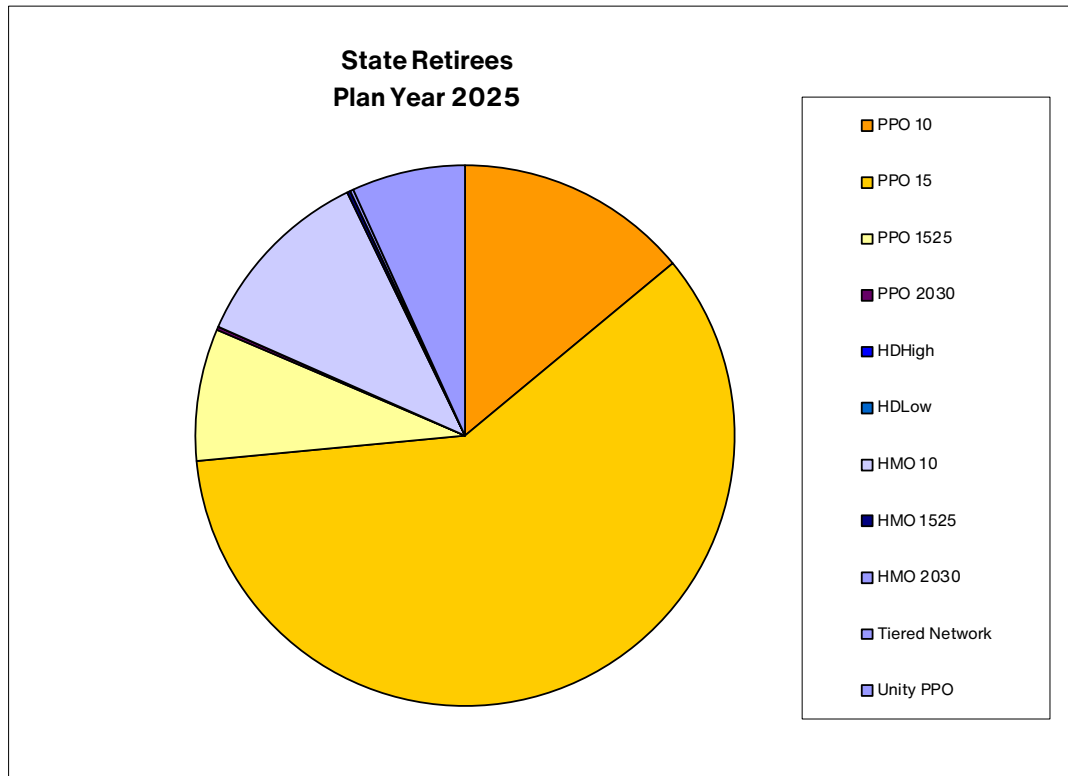
Assumes approximately 81% of Employees will enroll in the PPO plans, 4% in the HMO plan, 13% in the Tiered Network plan, and less than 1% in the High Deductible plans.

Assumes approximately 65% of Employees will enroll in the Unity plans, 18% in the PPO 15 and HMO 15, and approximately 17% in other benefit options.

Actives	Horizon	Aetna	Total
Unity PPO	47.3%	1.1%	48.5%
Unity 2019 PPO	15.4%	1.0%	16.4%
PPO 15	13.7%	0.2%	13.9%
PPO 1525	1.3%	0.1%	1.4%
PPO 2030	0.9%	0.0%	0.9%
PPO 2035	0.4%	0.0%	0.4%
HDHigh	0.4%	0.1%	0.4%
HDLow	0.4%	0.1%	0.5%
HMO 15	4.0%	0.4%	4.4%
Tiered Network	<u>12.2%</u>	<u>1.1%</u>	<u>13.3%</u>
Total	96.0%	4.0%	100.0%

*Some plans may show 0.0% enrollment. These plans may include low enrollment which rounds to 0.0%. Numbers may not add due to rounding

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 1B (Cont'd) – Retiree Enrollment Distribution



Assumes approximately 88% of Retirees will enroll in the PPO plans, 11% in the HMO plans, and less than 1% in the High Deductible and Tiered Network plan.

Retirees	Horizon	Aetna	Total
PPO 10	0.2%	13.8%	14.0%
PPO 15	10.6%	48.9%	59.5%
PPO 1525	7.9%	0.0%	7.9%
PPO 2030	0.2%	0.0%	0.2%
HDHigh	0.0%	0.0%	0.0%
HDLow	0.0%	0.0%	0.0%
HMO 10	2.9%	8.3%	11.2%
HMO 1525	0.1%	0.1%	0.2%
HMO 2030	0.0%	0.0%	0.0%
Tiered Network	0.2%	0.0%	0.2%
Unity PPO	<u>6.6%</u>	<u>0.2%</u>	<u>6.8%</u>
Total	28.7%	71.3%	100.0%

*Some plans may show 0.0% enrollment. These plans may include low enrollment which rounds to 0.0%. Numbers may not add due to rounding

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 1C – Active Employee Enrollment Distribution

	2025 Estimated Average Number of Contracts				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
Medical Plans	STATE - ACTIVE & COBRA				
Horizon PPO15	4,395	2,433	3,844	1,515	12,187
Horizon PPO1525	522	151	336	151	1,160
Horizon PPO2030	376	97	227	90	790
Horizon PPO2035	203	31	74	18	326
Horizon HDHigh	220	24	56	27	327
Horizon HDLow	215	48	83	33	379
Horizon HMO	1,675	460	762	646	3,543
Horizon Tiered Network	6,464	1,061	2,094	1,274	10,893
Horizon Unity PPO	12,852	6,951	15,698	6,639	42,140
Horizon Unity 2019 PPO	7,269	1,616	3,189	1,673	13,747
Horizon Total	34,191	12,872	26,363	12,066	85,492
Aetna PPO15	86	24	44	21	175
Aetna PPO1525	26	9	11	4	50
Aetna PPO2030	27	4	6	2	39
Aetna PPO2035	5	1	4	0	10
Aetna HDHigh	33	2	6	3	44
Aetna HDLow	25	3	10	6	44
Aetna HMO	156	45	88	58	347
Aetna Tiered Network	535	85	218	118	956
Aetna Unity PPO	201	135	506	175	1,017
Aetna Unity 2019 PPO	469	93	234	94	890
Aetna Total	1,563	401	1,127	481	3,572
Total	35,754	13,273	27,490	12,547	89,064

* 2025 total plan enrollments are based on January 2025 census data.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 1C (Cont'd) - Retiree Enrollment Distribution

	2025 Estimated Average Number of Contracts				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
Medical Plans	STATE RETIREES				
Horizon PPO10	26	27	26	5	84
Horizon PPO15	1,916	1,974	1,495	506	5,891
Horizon PPO1525	2,174	1,836	250	99	4,359
Horizon PPO2030	79	32	10	2	123
Horizon HDHigh	12	3	2	1	18
Horizon HDLow	5	2	2	2	11
Horizon HMO (10)	642	490	308	150	1,590
Horizon HMO1525	32	15	7	5	59
Horizon HMO2030	4	3	1	0	8
Horizon Tiered Network	34	28	25	10	97
Horizon Unity PPO	1,219	917	1,148	392	3,676
Horizon Total	6,143	5,327	3,274	1,172	15,916
Aetna PPO10	4,919	2,606	57	50	7,632
Aetna PPO15	14,665	10,942	1,009	532	27,148
Aetna PPO1525	2	1	0	0	3
Aetna PPO2030	0	1	0	0	1
Aetna HDHigh	1	0	0	0	1
Aetna HDLow	0	0	0	0	0
Aetna HMO (10)	2,758	1,643	139	90	4,630
Aetna HMO1525	25	11	5	0	41
Aetna HMO2030	1	1	2	0	4
Aetna Tiered Network	2	3	4	0	9
Aetna Unity PPO	14	60	34	6	114
Aetna Total	22,387	15,268	1,250	678	39,583
Total	28,530	20,595	4,524	1,850	55,499

* 2025 total plan enrollments are based on January 2025 census data.

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 2A – Medical Claim and Capitation Trend

The chart below shows the rolling 12-month medical claims experience trends for the Active and Early Retiree populations. The exhibit reflects estimated completed incurred claims through September 30, 2024. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

	(A) Increase in Claims	(B) Plan Changes	(C) = (A) - (B) Claim Trend
<u>PPO Active</u>			
12 Months through 09/2023 vs 09/2022	4.0%	(0.6%)	4.6%
12 Months through 09/2024 vs 09/2023	7.9%	0.1%	7.8%
Recommended 2025 Trend Assumption			7.5%

<u>PPO Early Retiree</u>			
12 Months through 09/2023 vs 09/2022	3.6%	0.0%	3.6%
12 Months through 09/2024 vs 09/2023	10.1%	0.0%	10.1%
Recommended 2025 Trend Assumption			7.5%

<u>HMO Active</u>			
12 Months through 09/2023 vs 09/2022	(10.2%)	(0.9%)	(9.3%)
12 Months through 09/2024 vs 09/2023	5.4%	0.0%	5.4%
Recommended 2025 Trend Assumption			7.5%

<u>HMO Early Retiree</u>			
12 Months through 09/2023 vs 09/2022	5.2%	0.0%	5.2%
12 Months through 09/2024 vs 09/2023	8.8%	0.0%	8.8%
Recommended 2025 Trend Assumption			7.5%

<u>Tiered Network Active</u>			
12 Months through 09/2023 vs 09/2022	(2.4%)	(0.3%)	(2.1%)
12 Months through 09/2024 vs 09/2023	6.3%	0.2%	6.1%
Recommended 2025 Trend Assumption			7.5%

Normalizing Adjustments

1/1/2023: State Active Urgent Care and Specialist Copay Change

4/1/2024: NJ State Mandate S2535

7/1/2024: NJ State Mandate A5235

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 2B – Prescription Drug Trend

The chart below shows the rolling 12-month prescription drug claims experience trends for the Active, Early Retiree, and EGWP Retiree populations. The exhibit reflects estimated completed incurred claims through September 30, 2024. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

	(A) Increase in Claims	(B) Plan Changes	(C) = (A) - (B) Claim Trend
<u>Active Rx</u>			
12 Months through 09/2023 vs 09/2022	20.0%	0.0%	20.0%
12 Months through 09/2024 vs 09/2023	19.5%	0.0%	19.5%
Recommended 2025 Trend Assumption			12.5%

<u>Early Retiree Rx</u>			
12 Months through 09/2023 vs 09/2022	17.8%	0.0%	17.8%
12 Months through 09/2024 vs 09/2023	18.0%	0.0%	18.0%
Recommended 2025 Trend Assumption			12.5%

<u>EGWP Retiree Rx</u>			
12 Months through 09/2023 vs 09/2022	9.6%	0.0%	9.6%
12 Months through 09/2024 vs 09/2023	13.6%	0.0%	13.6%
Recommended 2025 Trend Assumption			13.0%

Normalizing Adjustments
None

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3A – Plan Year 2023 Aggregate Costs, page 1 of 2

	Unity PPO			Legacy Plans					
	Total	Horizon Unity PPO	Horizon Unity 2019 PPO	Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO
<u>Employees and Retirees</u>									
Average Medical Members	292,558	124,027	18,467	11,268	35,029	619	53,107	6,539	15,151
Incurred Medical Claims	\$1,861,098,000	\$962,287,000	\$113,552,000	\$15,351,000	\$40,097,000	\$7,086,000	\$474,097,000	\$13,833,000	\$103,590,000
Capitation	\$65,627,000	\$38,907,000	\$1,215,000	\$0	\$0	\$149,000	\$14,394,000	\$0	\$4,341,000
Incurred Prescription Drug Claims	\$1,083,377,000	\$342,061,000	\$35,826,000	\$86,029,000	\$269,867,000	\$1,673,000	\$171,965,000	\$55,711,000	\$42,059,000
Prescription Drug Rebates	(\$382,597,000)	(\$140,937,000)	(\$14,731,000)	(\$23,138,000)	(\$72,581,000)	(\$706,000)	(\$71,497,000)	(\$14,984,000)	(\$17,150,000)
EGWP Credits	(\$160,976,000)	N/A	N/A	(\$31,118,000)	(\$96,734,000)	\$0	\$0	(\$18,059,000)	(\$872,000)
Administrative Fees	\$104,621,000	\$45,050,000	\$8,554,000	\$2,255,000	\$6,849,000	\$100,000	\$19,207,000	\$1,306,000	\$7,035,000
Total Cost	\$2,571,150,000	\$1,247,368,000	\$144,416,000	\$49,379,000	\$147,498,000	\$8,302,000	\$608,166,000	\$37,807,000	\$139,003,000
Total Premium	\$2,582,427,000	\$1,210,073,000	\$186,084,000	\$48,811,000	\$144,111,000	\$8,247,000	\$577,727,000	\$36,204,000	\$152,934,000
Gain (Loss)	\$11,277,000	(\$37,295,000)	\$41,668,000	(\$568,000)	(\$3,387,000)	(\$55,000)	(\$30,439,000)	(\$1,603,000)	\$13,931,000
<u>Employees</u>									
Average Medical Members	201,100	117,380	18,467	N/A	N/A	N/A	32,885	N/A	10,359
Incurred Medical Claims	\$1,455,529,000	\$898,315,000	\$113,552,000	N/A	N/A	N/A	\$272,179,000	N/A	\$64,909,000
Capitation	\$56,760,000	\$37,195,000	\$1,215,000	N/A	N/A	N/A	\$9,201,000	N/A	\$3,049,000
Incurred Prescription Drug Claims	\$511,675,000	\$315,621,000	\$35,826,000	N/A	N/A	N/A	\$98,685,000	N/A	\$25,341,000
Prescription Drug Rebates	(\$210,396,000)	(\$129,781,000)	(\$14,731,000)	N/A	N/A	N/A	(\$40,579,000)	N/A	(\$10,420,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$80,909,000	\$42,631,000	\$8,554,000	N/A	N/A	N/A	\$12,825,000	N/A	\$5,093,000
Total Cost	\$1,894,477,000	\$1,163,981,000	\$144,416,000	N/A	N/A	N/A	\$352,311,000	N/A	\$87,972,000
Total Premium	\$1,903,277,000	\$1,132,404,000	\$186,084,000	N/A	N/A	N/A	\$315,121,000	N/A	\$95,914,000
Gain (Loss)	\$8,800,000	(\$31,577,000)	\$41,668,000	N/A	N/A	N/A	(\$37,190,000)	N/A	\$7,942,000
<u>Early Retirees</u>									
Average Medical Members	33,166	6,647	N/A	N/A	N/A	619	20,222	N/A	4,476
Incurred Medical Claims	\$321,419,000	\$63,972,000	N/A	N/A	N/A	\$7,086,000	\$201,918,000	N/A	\$37,845,000
Capitation	\$8,768,000	\$1,712,000	N/A	N/A	N/A	\$149,000	\$5,193,000	N/A	\$1,277,000
Incurred Prescription Drug Claims	\$120,559,000	\$26,440,000	N/A	N/A	N/A	\$1,673,000	\$73,280,000	N/A	\$14,605,000
Prescription Drug Rebates	(\$50,865,000)	(\$11,156,000)	N/A	N/A	N/A	(\$706,000)	(\$30,918,000)	N/A	(\$6,162,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$11,017,000	\$2,419,000	N/A	N/A	N/A	\$100,000	\$6,382,000	N/A	\$1,809,000
Total Cost	\$410,898,000	\$83,387,000	N/A	N/A	N/A	\$8,302,000	\$255,855,000	N/A	\$49,374,000
Total Premium	\$416,842,000	\$77,669,000	N/A	N/A	N/A	\$8,247,000	\$262,606,000	N/A	\$54,533,000
Gain (Loss)	\$5,944,000	(\$5,718,000)	N/A	N/A	N/A	(\$55,000)	\$6,751,000	N/A	\$5,159,000
<u>Medicare Retirees</u>									
Average Medical Members	58,292	N/A	N/A	11,268	35,029	N/A	N/A	6,539	316
Incurred Medical Claims	\$84,150,000	N/A	N/A	\$15,351,000	\$40,097,000	N/A	N/A	\$13,833,000	\$836,000
Capitation	\$99,000	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$15,000
Incurred Prescription Drug Claims	\$451,143,000	N/A	N/A	\$86,029,000	\$269,867,000	N/A	N/A	\$55,711,000	\$2,113,000
Prescription Drug Rebates	(\$121,336,000)	N/A	N/A	(\$23,138,000)	(\$72,581,000)	N/A	N/A	(\$14,984,000)	(\$568,000)
EGWP Credits	(\$160,976,000)	N/A	N/A	(\$31,118,000)	(\$96,734,000)	N/A	N/A	(\$18,059,000)	(\$872,000)
Administrative Fees	\$12,695,000	N/A	N/A	\$2,255,000	\$6,849,000	N/A	N/A	\$1,306,000	\$133,000
Total Cost	\$265,775,000	N/A	N/A	\$49,379,000	\$147,498,000	N/A	N/A	\$37,807,000	\$1,657,000
Total Premium	\$262,308,000	N/A	N/A	\$48,811,000	\$144,111,000	N/A	N/A	\$36,204,000	\$2,487,000
Gain (Loss)	(\$3,467,000)	N/A	N/A	(\$568,000)	(\$3,387,000)	N/A	N/A	(\$1,603,000)	\$830,000

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 3A – Plan Year 2023 Aggregate Costs, page 2 of 2

	1525			2030		2035	HD 4000	HD 1500	Tiered Network
	Horizon PPO	Aetna HMO	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon	Horizon	Horizon
Employees and Retirees									
Average Medical Members	8,775	29	92	2,005	20	783	629	1,070	14,948
Incurred Medical Claims	\$39,889,000	\$48,000	\$317,000	\$11,424,000	\$411,000	\$3,219,000	\$1,181,000	\$6,218,000	\$68,498,000
Capitation	\$1,231,000	\$0	\$14,000	\$527,000	\$4,000	\$214,000	\$158,000	\$266,000	\$4,207,000
Incurred Prescription Drug Claims	\$46,448,000	\$225,000	\$291,000	\$3,683,000	\$10,000	\$937,000	\$368,000	\$1,664,000	\$24,560,000
Prescription Drug Rebates	(\$13,961,000)	(\$60,000)	(\$92,000)	(\$1,429,000)	(\$4,000)	(\$385,000)	(\$151,000)	(\$685,000)	(\$10,106,000)
EGWP Credits	(\$13,728,000)	(\$79,000)	(\$118,000)	(\$262,000)	(\$6,000)	\$0	N/A	N/A	N/A
Administrative Fees	\$3,501,000	\$6,000	\$36,000	\$853,000	\$9,000	\$422,000	\$342,000	\$519,000	\$8,577,000
Total Cost	\$63,380,000	\$140,000	\$448,000	\$14,796,000	\$424,000	\$4,407,000	\$1,898,000	\$7,982,000	\$95,736,000
Total Premium	\$67,446,000	\$136,000	\$791,000	\$17,634,000	\$212,000	\$6,347,000	\$3,415,000	\$8,261,000	\$113,994,000
Gain (Loss)	\$4,066,000	(\$4,000)	\$343,000	\$2,838,000	(\$212,000)	\$1,940,000	\$1,517,000	\$279,000	\$18,258,000
Employees									
Average Medical Members	2,957	N/A	N/A	1,840	N/A	783	603	1,053	14,773
Incurred Medical Claims	\$18,563,000	N/A	N/A	\$10,792,000	N/A	\$3,219,000	\$1,026,000	\$5,724,000	\$67,250,000
Capitation	\$807,000	N/A	N/A	\$505,000	N/A	\$214,000	\$152,000	\$262,000	\$4,160,000
Incurred Prescription Drug Claims	\$6,467,000	N/A	N/A	\$2,989,000	N/A	\$937,000	\$363,000	\$1,631,000	\$23,815,000
Prescription Drug Rebates	(\$2,659,000)	N/A	N/A	(\$1,229,000)	N/A	(\$385,000)	(\$149,000)	(\$671,000)	(\$9,792,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,268,000	N/A	N/A	\$786,000	N/A	\$422,000	\$324,000	\$512,000	\$8,494,000
Total Cost	\$24,446,000	N/A	N/A	\$13,843,000	N/A	\$4,407,000	\$1,716,000	\$7,458,000	\$93,927,000
Total Premium	\$27,609,000	N/A	N/A	\$16,249,000	N/A	\$6,347,000	\$3,196,000	\$8,104,000	\$112,249,000
Gain (Loss)	\$3,163,000	N/A	N/A	\$2,406,000	N/A	\$1,940,000	\$1,480,000	\$646,000	\$18,322,000
Early Retirees									
Average Medical Members	847	N/A	49	70	18	N/A	26	17	175
Incurred Medical Claims	\$7,693,000	N/A	\$181,000	\$417,000	\$410,000	N/A	\$155,000	\$494,000	\$1,248,000
Capitation	\$343,000	N/A	\$13,000	\$20,000	\$4,000	N/A	\$6,000	\$4,000	\$47,000
Incurred Prescription Drug Claims	\$3,592,000	N/A	\$90,000	\$88,000	\$8,000	N/A	\$5,000	\$33,000	\$745,000
Prescription Drug Rebates	(\$1,515,000)	N/A	(\$38,000)	(\$37,000)	(\$3,000)	N/A	(\$2,000)	(\$14,000)	(\$314,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$157,000	N/A	\$12,000	\$22,000	\$8,000	N/A	\$18,000	\$7,000	\$83,000
Total Cost	\$10,270,000	N/A	\$258,000	\$510,000	\$427,000	N/A	\$182,000	\$524,000	\$1,809,000
Total Premium	\$10,160,000	N/A	\$476,000	\$834,000	\$196,000	N/A	\$219,000	\$157,000	\$1,745,000
Gain (Loss)	(\$110,000)	N/A	\$218,000	\$324,000	(\$231,000)	N/A	\$37,000	(\$367,000)	(\$64,000)
Medicare Retirees									
Average Medical Members	4,971	29	43	95	2	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$13,633,000	\$48,000	\$136,000	\$215,000	\$1,000	N/A	N/A	N/A	N/A
Capitation	\$81,000	\$0	\$1,000	\$2,000	\$0	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$36,389,000	\$225,000	\$201,000	\$606,000	\$2,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$9,787,000)	(\$60,000)	(\$54,000)	(\$163,000)	(\$1,000)	N/A	N/A	N/A	N/A
EGWP Credits	(\$13,728,000)	(\$79,000)	(\$118,000)	(\$262,000)	(\$6,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$2,076,000	\$6,000	\$24,000	\$45,000	\$1,000	N/A	N/A	N/A	N/A
Total Cost	\$28,664,000	\$140,000	\$190,000	\$443,000	(\$3,000)	N/A	N/A	N/A	N/A
Total Premium	\$29,677,000	\$136,000	\$315,000	\$551,000	\$16,000	N/A	N/A	N/A	N/A
Gain (Loss)	\$1,013,000	(\$4,000)	\$125,000	\$108,000	\$19,000	N/A	N/A	N/A	N/A

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred

Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3B – Plan Year 2024 Aggregate Costs, page 1 of 3

	Unity PPO					Legacy Plans					
	Total	Aetna Unity PPO	Horizon Unity PPO	Aetna Unity 2019 PPO	Horizon Unity 2019 PPO	Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO
Employees and Retirees											
Average Medical Members	293,096	1,799	118,199	575	24,037	10,712	38,586	364	46,009	6,910	12,532
Incurred Medical Claims	\$2,055,663,000	\$15,117,000	\$1,034,152,000	\$3,406,000	\$160,363,000	\$15,519,000	\$62,680,000	\$4,806,000	\$472,932,000	\$17,684,000	\$90,762,000
Capitation	\$20,889,000	\$0	\$11,473,000	\$0	\$1,618,000	\$0	\$0	\$21,000	\$3,790,000	\$0	\$1,304,000
Incurred Prescription Drug Claims	\$1,261,142,000	\$6,714,000	\$390,914,000	\$1,779,000	\$57,265,000	\$90,269,000	\$317,838,000	\$953,000	\$180,645,000	\$62,602,000	\$41,959,000
Prescription Drug Rebates	(\$447,158,000)	(\$2,688,000)	(\$156,197,000)	(\$710,000)	(\$22,862,000)	(\$26,124,000)	(\$92,894,000)	(\$384,000)	(\$72,357,000)	(\$18,363,000)	(\$16,380,000)
EGWP Credits	(\$202,229,000)	N/A	N/A	N/A	N/A	(\$35,888,000)	(\$123,363,000)	N/A	N/A	(\$21,292,000)	(\$1,149,000)
Administrative Fees	\$110,273,000	\$405,000	\$45,483,000	\$196,000	\$11,711,000	\$1,732,000	\$6,019,000	\$96,000	\$18,878,000	\$1,185,000	\$6,328,000
Total Cost	\$2,798,580,000	\$19,548,000	\$1,325,825,000	\$4,671,000	\$208,095,000	\$45,508,000	\$170,280,000	\$5,492,000	\$603,888,000	\$41,816,000	\$122,824,000
Total Premium	\$2,685,392,000	\$18,139,000	\$1,202,335,000	\$5,800,000	\$251,967,000	\$50,452,000	\$187,321,000	\$4,974,000	\$522,309,000	\$43,409,000	\$133,566,000
Gain (Loss)	(\$113,188,000)	(\$1,409,000)	(\$123,490,000)	\$1,129,000	\$43,872,000	\$4,944,000	\$17,041,000	(\$518,000)	(\$81,579,000)	\$1,593,000	\$10,742,000
Employees											
Average Medical Members	201,498	1,392	110,135	575	24,037	N/A	113	N/A	30,270	268	8,672
Incurred Medical Claims	\$1,626,883,000	\$10,960,000	\$948,242,000	\$3,406,000	\$160,363,000	N/A	\$921,000	N/A	\$295,630,000	\$1,694,000	\$57,707,000
Capitation	\$18,566,000	\$0	\$10,917,000	\$0	\$1,618,000	N/A	\$0	N/A	\$2,772,000	\$0	\$921,000
Incurred Prescription Drug Claims	\$610,109,000	\$4,735,000	\$354,313,000	\$1,779,000	\$57,265,000	N/A	\$426,000	N/A	\$113,843,000	\$955,000	\$24,742,000
Prescription Drug Rebates	(\$243,579,000)	(\$1,891,000)	(\$141,454,000)	(\$710,000)	(\$22,862,000)	N/A	(\$170,000)	N/A	(\$45,450,000)	(\$381,000)	(\$9,878,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$86,572,000	\$363,000	\$42,017,000	\$196,000	\$11,711,000	N/A	\$38,000	N/A	\$12,406,000	\$107,000	\$4,456,000
Total Cost	\$2,098,551,000	\$14,167,000	\$1,214,035,000	\$4,671,000	\$208,095,000	N/A	\$1,215,000	N/A	\$379,201,000	\$2,375,000	\$77,948,000
Total Premium	\$1,986,638,000	\$13,414,000	\$1,105,518,000	\$5,800,000	\$251,967,000	N/A	\$1,139,000	N/A	\$308,326,000	\$2,582,000	\$85,739,000
Gain (Loss)	(\$111,913,000)	(\$753,000)	(\$108,517,000)	\$1,129,000	\$43,872,000	N/A	(\$76,000)	N/A	(\$70,875,000)	\$207,000	\$7,791,000
Early Retirees											
Average Medical Members	32,120	407	8,064	N/A	N/A	157	2,190	364	15,739	380	3,522
Incurred Medical Claims	\$345,341,000	\$4,157,000	\$85,910,000	N/A	N/A	\$1,681,000	\$22,091,000	\$4,806,000	\$177,302,000	\$3,065,000	\$32,187,000
Capitation	\$2,204,000	\$0	\$556,000	N/A	N/A	\$0	\$0	\$21,000	\$1,018,000	\$0	\$365,000
Incurred Prescription Drug Claims	\$136,165,000	\$1,979,000	\$36,601,000	N/A	N/A	\$414,000	\$9,047,000	\$953,000	\$66,802,000	\$1,527,000	\$13,419,000
Prescription Drug Rebates	(\$54,845,000)	(\$797,000)	(\$14,743,000)	N/A	N/A	(\$167,000)	(\$3,644,000)	(\$384,000)	(\$26,907,000)	(\$615,000)	(\$5,405,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$12,375,000	\$42,000	\$3,466,000	N/A	N/A	\$1,000	\$102,000	\$96,000	\$6,472,000	\$53,000	\$1,753,000
Total Cost	\$441,240,000	\$5,381,000	\$111,790,000	N/A	N/A	\$1,929,000	\$27,596,000	\$5,492,000	\$224,687,000	\$4,030,000	\$42,319,000
Total Premium	\$414,930,000	\$4,725,000	\$96,817,000	N/A	N/A	\$2,047,000	\$27,690,000	\$4,974,000	\$213,983,000	\$4,276,000	\$45,070,000
Gain (Loss)	(\$26,310,000)	(\$656,000)	(\$14,973,000)	N/A	N/A	\$118,000	\$94,000	(\$518,000)	(\$10,704,000)	\$246,000	\$2,751,000
Medicare Retirees											
Average Medical Members	59,478	N/A	N/A	N/A	N/A	10,555	36,283	N/A	N/A	6,262	338
Incurred Medical Claims	\$83,439,000	N/A	N/A	N/A	N/A	\$13,838,000	\$39,668,000	N/A	N/A	\$12,925,000	\$868,000
Capitation	\$119,000	N/A	N/A	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$18,000
Incurred Prescription Drug Claims	\$514,868,000	N/A	N/A	N/A	N/A	\$89,855,000	\$308,365,000	N/A	N/A	\$60,120,000	\$3,798,000
Prescription Drug Rebates	(\$148,734,000)	N/A	N/A	N/A	N/A	(\$25,957,000)	(\$89,080,000)	N/A	N/A	(\$17,367,000)	(\$1,097,000)
EGWP Credits	(\$202,229,000)	N/A	N/A	N/A	N/A	(\$35,888,000)	(\$123,363,000)	N/A	N/A	(\$21,292,000)	(\$1,149,000)
Administrative Fees	\$11,326,000	N/A	N/A	N/A	N/A	\$1,731,000	\$5,879,000	N/A	N/A	\$1,025,000	\$119,000
Total Cost	\$258,789,000	N/A	N/A	N/A	N/A	\$43,579,000	\$141,469,000	N/A	N/A	\$35,411,000	\$2,557,000
Total Premium	\$283,824,000	N/A	N/A	N/A	N/A	\$48,405,000	\$158,492,000	N/A	N/A	\$36,551,000	\$2,757,000
Gain (Loss)	\$25,035,000	N/A	N/A	N/A	N/A	\$4,826,000	\$17,023,000	N/A	N/A	\$1,140,000	\$200,000

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred

Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3B – Plan Year 2024 Aggregate Costs, page 2 of 3

	1525				2030			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	26	9,428	46	106	21	1,911	3	17
Incurred Medical Claims	\$166,000	\$45,562,000	\$82,000	\$327,000	\$117,000	\$10,775,000	\$69,000	\$183,000
Capitation	\$0	\$536,000	\$0	\$8,000	\$0	\$153,000	\$0	\$1,000
Incurred Prescription Drug Claims	\$56,000	\$62,563,000	\$317,000	\$599,000	\$39,000	\$3,879,000	\$7,000	\$25,000
Prescription Drug Rebates	(\$22,000)	(\$19,333,000)	(\$94,000)	(\$186,000)	(\$16,000)	(\$1,475,000)	(\$3,000)	(\$10,000)
EGWP Credits	\$0	(\$19,862,000)	(\$106,000)	(\$197,000)	\$0	(\$365,000)	N/A	(\$7,000)
Administrative Fees	\$10,000	\$3,878,000	\$10,000	\$39,000	\$9,000	\$857,000	\$1,000	\$10,000
Total Cost	\$210,000	\$73,344,000	\$209,000	\$590,000	\$149,000	\$13,824,000	\$74,000	\$202,000
Total Premium	\$265,000	\$73,858,000	\$334,000	\$903,000	\$207,000	\$17,810,000	\$39,000	\$195,000
Gain (Loss)	\$55,000	\$514,000	\$125,000	\$313,000	\$58,000	\$3,986,000	(\$35,000)	(\$7,000)
Employees								
Average Medical Members	24	2,710	N/A	N/A	19	1,733	N/A	N/A
Incurred Medical Claims	\$147,000	\$20,554,000	N/A	N/A	\$106,000	\$9,901,000	N/A	N/A
Capitation	\$0	\$227,000	N/A	N/A	\$0	\$144,000	N/A	N/A
Incurred Prescription Drug Claims	\$50,000	\$7,386,000	N/A	N/A	\$31,000	\$3,123,000	N/A	N/A
Prescription Drug Rebates	(\$20,000)	(\$2,949,000)	N/A	N/A	(\$13,000)	(\$1,247,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,000	\$1,205,000	N/A	N/A	\$8,000	\$775,000	N/A	N/A
Total Cost	\$186,000	\$26,423,000	N/A	N/A	\$132,000	\$12,696,000	N/A	N/A
Total Premium	\$233,000	\$26,681,000	N/A	N/A	\$182,000	\$16,230,000	N/A	N/A
Gain (Loss)	\$47,000	\$258,000	N/A	N/A	\$50,000	\$3,534,000	N/A	N/A
Early Retirees								
Average Medical Members	2	876	15	48	2	71	3	15
Incurred Medical Claims	\$19,000	\$9,272,000	\$31,000	\$195,000	\$11,000	\$654,000	\$69,000	\$182,000
Capitation	\$0	\$213,000	\$0	\$5,000	\$0	\$7,000	\$0	\$1,000
Incurred Prescription Drug Claims	\$6,000	\$3,904,000	\$22,000	\$111,000	\$8,000	\$82,000	\$7,000	\$25,000
Prescription Drug Rebates	(\$2,000)	(\$1,572,000)	(\$9,000)	(\$45,000)	(\$3,000)	(\$33,000)	(\$3,000)	(\$10,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,000	\$190,000	\$5,000	\$12,000	\$1,000	\$26,000	\$1,000	\$9,000
Total Cost	\$24,000	\$12,007,000	\$49,000	\$278,000	\$17,000	\$736,000	\$74,000	\$207,000
Total Premium	\$32,000	\$10,823,000	\$178,000	\$461,000	\$25,000	\$929,000	\$39,000	\$179,000
Gain (Loss)	\$8,000	(\$1,184,000)	\$129,000	\$183,000	\$8,000	\$193,000	(\$35,000)	(\$28,000)
Medicare Retirees								
Average Medical Members	N/A	5,842	31	58	N/A	107	N/A	2
Incurred Medical Claims	N/A	\$15,736,000	\$51,000	\$132,000	N/A	\$220,000	N/A	\$1,000
Capitation	N/A	\$96,000	\$0	\$3,000	N/A	\$2,000	N/A	\$0
Incurred Prescription Drug Claims	N/A	\$51,273,000	\$295,000	\$488,000	N/A	\$674,000	N/A	\$0
Prescription Drug Rebates	N/A	(\$14,812,000)	(\$85,000)	(\$141,000)	N/A	(\$195,000)	N/A	\$0
EGWP Credits	N/A	(\$19,862,000)	(\$106,000)	(\$197,000)	N/A	(\$365,000)	N/A	(\$7,000)
Administrative Fees	N/A	\$2,483,000	\$5,000	\$27,000	N/A	\$56,000	N/A	\$1,000
Total Cost	N/A	\$34,914,000	\$160,000	\$312,000	N/A	\$392,000	N/A	(\$5,000)
Total Premium	N/A	\$36,354,000	\$156,000	\$442,000	N/A	\$651,000	N/A	\$16,000
Gain (Loss)	N/A	\$1,440,000	(\$4,000)	\$130,000	N/A	\$259,000	N/A	\$21,000

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3B – Plan Year 2024 Aggregate Costs, page 3 of 3

	PPO 2035		HDHigh		HDLow		Tiered Network	
	Aetna	Horizon	Aetna	Horizon	Aetna	Horizon	Aetna	Horizon
Employees and Retirees								
Average Medical Members	5	680	22	633	23	904	587	18,961
Incurred Medical Claims	\$18,000	\$2,749,000	\$45,000	\$1,602,000	\$169,000	\$8,129,000	\$3,131,000	\$105,118,000
Capitation	\$0	\$56,000	\$0	\$41,000	\$0	\$62,000	\$0	\$1,826,000
Incurred Prescription Drug Claims	\$7,000	\$1,109,000	\$9,000	\$330,000	\$36,000	\$1,918,000	\$1,247,000	\$38,063,000
Prescription Drug Rebates	(\$3,000)	(\$443,000)	(\$4,000)	(\$132,000)	(\$14,000)	(\$766,000)	(\$498,000)	(\$15,200,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,000	\$362,000	\$10,000	\$355,000	\$8,000	\$455,000	\$281,000	\$11,953,000
Total Cost	\$24,000	\$3,833,000	\$60,000	\$2,196,000	\$199,000	\$9,798,000	\$4,161,000	\$141,760,000
Total Premium	\$42,000	\$5,748,000	\$123,000	\$3,636,000	\$181,000	\$7,487,000	\$4,430,000	\$149,862,000
Gain (Loss)	\$18,000	\$1,915,000	\$63,000	\$1,440,000	(\$18,000)	(\$2,311,000)	\$269,000	\$8,102,000
Employees								
Average Medical Members	5	680	21	610	23	883	576	18,752
Incurred Medical Claims	\$18,000	\$2,749,000	\$45,000	\$1,440,000	\$157,000	\$7,354,000	\$3,028,000	\$102,461,000
Capitation	\$0	\$56,000	\$0	\$40,000	\$0	\$61,000	\$0	\$1,810,000
Incurred Prescription Drug Claims	\$7,000	\$1,109,000	\$9,000	\$317,000	\$35,000	\$1,824,000	\$1,204,000	\$36,956,000
Prescription Drug Rebates	(\$3,000)	(\$443,000)	(\$4,000)	(\$127,000)	(\$14,000)	(\$728,000)	(\$481,000)	(\$14,754,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,000	\$362,000	\$10,000	\$337,000	\$8,000	\$445,000	\$277,000	\$11,840,000
Total Cost	\$24,000	\$3,833,000	\$60,000	\$2,007,000	\$186,000	\$8,956,000	\$4,028,000	\$138,313,000
Total Premium	\$42,000	\$5,748,000	\$119,000	\$3,438,000	\$181,000	\$7,273,000	\$4,323,000	\$147,703,000
Gain (Loss)	\$18,000	\$1,915,000	\$59,000	\$1,431,000	(\$5,000)	(\$1,683,000)	\$295,000	\$9,390,000
Early Retirees								
Average Medical Members	N/A	N/A	1	23	-	21	11	209
Incurred Medical Claims	N/A	N/A	\$0	\$162,000	\$12,000	\$775,000	\$103,000	\$2,657,000
Capitation	N/A	N/A	\$0	\$1,000	\$0	\$1,000	\$0	\$16,000
Incurred Prescription Drug Claims	N/A	N/A	\$0	\$13,000	\$1,000	\$94,000	\$43,000	\$1,107,000
Prescription Drug Rebates	N/A	N/A	\$0	(\$5,000)	\$0	(\$38,000)	(\$17,000)	(\$446,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$0	\$18,000	\$0	\$10,000	\$4,000	\$113,000
Total Cost	N/A	N/A	\$0	\$189,000	\$13,000	\$842,000	\$133,000	\$3,447,000
Total Premium	N/A	N/A	\$4,000	\$198,000	\$0	\$214,000	\$107,000	\$2,159,000
Gain (Loss)	N/A	N/A	\$4,000	\$9,000	(\$13,000)	(\$628,000)	(\$26,000)	(\$1,288,000)
Medicare Retirees								
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3C – Plan Year 2025 Aggregate Costs, page 1 of 3

	Total	Unity PPO				Legacy Plans					
		Aetna Unity PPO	Horizon Unity PPO	Aetna Unity 2019 PPO	Horizon Unity 2019 PPO	Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO
Employees and Retirees											
Average Medical Members	293,253	3,717	113,701	1,818	27,370	10,433	41,009	188	40,579	7,471	10,390
Incurred Medical Claims	\$2,199,952,000	\$35,347,000	\$1,071,180,000	\$12,806,000	\$196,852,000	\$18,301,000	\$96,401,000	\$2,662,000	\$446,687,000	\$25,030,000	\$80,259,000
Capitation	\$22,871,000	\$370,000	\$11,853,000	\$132,000	\$1,980,000	\$16,000	\$319,000	\$11,000	\$3,640,000	\$162,000	\$1,159,000
Incurred Prescription Drug Claims	\$1,428,462,000	\$14,586,000	\$422,878,000	\$4,872,000	\$73,355,000	\$99,677,000	\$376,288,000	\$552,000	\$178,378,000	\$71,625,000	\$39,770,000
Prescription Drug Rebates	(\$511,556,000)	(\$5,925,000)	(\$171,134,000)	(\$1,968,000)	(\$29,626,000)	(\$29,164,000)	(\$112,250,000)	(\$228,000)	(\$72,544,000)	(\$21,509,000)	(\$15,648,000)
EGWP Credits	(\$240,129,000)	N/A	N/A	N/A	N/A	(\$40,693,000)	(\$146,476,000)	N/A	N/A	(\$24,192,000)	(\$1,433,000)
Administrative Fees	\$112,518,000	\$954,000	\$44,421,000	\$758,000	\$13,387,000	\$1,759,000	\$6,636,000	\$115,000	\$17,945,000	\$1,537,000	\$5,560,000
Total Cost	\$3,012,118,000	\$45,332,000	\$1,379,198,000	\$16,600,000	\$255,948,000	\$49,896,000	\$220,918,000	\$3,112,000	\$574,106,000	\$52,653,000	\$109,667,000
Total Premium	\$2,957,929,000	\$42,037,000	\$1,283,015,000	\$20,858,000	\$316,314,000	\$52,553,000	\$229,390,000	\$3,006,000	\$523,156,000	\$53,915,000	\$126,853,000
Gain (Loss)	(\$54,189,000)	(\$3,295,000)	(\$96,183,000)	\$4,258,000	\$60,366,000	\$2,657,000	\$8,472,000	(\$106,000)	(\$50,950,000)	\$1,262,000	\$17,186,000
Employees											
Average Medical Members	202,824	2,912	105,627	1,818	27,370	N/A	361	N/A	28,286	742	7,268
Incurred Medical Claims	\$1,756,780,000	\$26,472,000	\$980,415,000	\$12,806,000	\$196,852,000	N/A	\$3,726,000	N/A	\$297,819,000	\$5,216,000	\$52,137,000
Capitation	\$20,249,000	\$310,000	\$11,255,000	\$132,000	\$1,980,000	N/A	\$36,000	N/A	\$2,785,000	\$85,000	\$930,000
Incurred Prescription Drug Claims	\$690,317,000	\$10,538,000	\$382,284,000	\$4,872,000	\$73,355,000	N/A	\$1,529,000	N/A	\$119,680,000	\$2,383,000	\$23,327,000
Prescription Drug Rebates	(\$278,795,000)	(\$4,256,000)	(\$154,392,000)	(\$1,968,000)	(\$29,626,000)	N/A	(\$617,000)	N/A	(\$48,335,000)	(\$962,000)	(\$9,421,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$88,628,000	\$863,000	\$40,964,000	\$758,000	\$13,387,000	N/A	\$149,000	N/A	\$11,844,000	\$378,000	\$3,875,000
Total Cost	\$2,277,179,000	\$33,927,000	\$1,260,526,000	\$16,600,000	\$255,948,000	N/A	\$4,823,000	N/A	\$383,793,000	\$7,100,000	\$70,748,000
Total Premium	\$2,216,250,000	\$31,355,000	\$1,173,860,000	\$20,858,000	\$316,314,000	N/A	\$4,298,000	N/A	\$331,805,000	\$8,410,000	\$82,990,000
Gain (Loss)	(\$60,929,000)	(\$2,572,000)	(\$86,666,000)	\$4,258,000	\$60,366,000	N/A	(\$525,000)	N/A	(\$51,988,000)	\$1,310,000	\$12,242,000
Early Retirees											
Average Medical Members	30,457	805	8,074	N/A	N/A	270	4,066	188	12,293	687	2,764
Incurred Medical Claims	\$350,825,000	\$8,875,000	\$90,765,000	N/A	N/A	\$3,758,000	\$48,289,000	\$2,662,000	\$148,868,000	\$6,618,000	\$27,152,000
Capitation	\$2,481,000	\$60,000	\$598,000	N/A	N/A	\$16,000	\$283,000	\$11,000	\$855,000	\$77,000	\$308,000
Incurred Prescription Drug Claims	\$144,887,000	\$4,048,000	\$40,594,000	N/A	N/A	\$795,000	\$19,417,000	\$552,000	\$58,698,000	\$2,945,000	\$11,846,000
Prescription Drug Rebates	(\$59,755,000)	(\$1,669,000)	(\$16,742,000)	N/A	N/A	(\$328,000)	(\$8,008,000)	(\$228,000)	(\$24,209,000)	(\$1,214,000)	(\$4,886,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$12,045,000	\$91,000	\$3,457,000	N/A	N/A	\$1,000	\$212,000	\$115,000	\$6,101,000	\$115,000	\$1,566,000
Total Cost	\$450,483,000	\$11,405,000	\$118,672,000	N/A	N/A	\$4,242,000	\$60,193,000	\$3,112,000	\$190,313,000	\$8,541,000	\$35,986,000
Total Premium	\$444,512,000	\$10,682,000	\$109,155,000	N/A	N/A	\$3,952,000	\$58,855,000	\$3,006,000	\$191,351,000	\$8,937,000	\$40,916,000
Gain (Loss)	(\$5,971,000)	(\$723,000)	(\$9,517,000)	N/A	N/A	(\$290,000)	(\$1,338,000)	(\$106,000)	\$1,038,000	\$396,000	\$4,930,000
Medicare Retirees											
Average Medical Members	59,972	N/A	N/A	N/A	N/A	10,163	36,582	N/A	N/A	6,042	358
Incurred Medical Claims	\$92,347,000	N/A	N/A	N/A	N/A	\$14,543,000	\$44,386,000	N/A	N/A	\$13,196,000	\$970,000
Capitation	\$141,000	N/A	N/A	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$21,000
Incurred Prescription Drug Claims	\$593,258,000	N/A	N/A	N/A	N/A	\$98,882,000	\$355,342,000	N/A	N/A	\$66,297,000	\$4,597,000
Prescription Drug Rebates	(\$173,006,000)	N/A	N/A	N/A	N/A	(\$28,836,000)	(\$103,625,000)	N/A	N/A	(\$19,333,000)	(\$1,341,000)
EGWP Credits	(\$240,129,000)	N/A	N/A	N/A	N/A	(\$40,693,000)	(\$146,476,000)	N/A	N/A	(\$24,192,000)	(\$1,433,000)
Administrative Fees	\$11,845,000	N/A	N/A	N/A	N/A	\$1,758,000	\$6,275,000	N/A	N/A	\$1,044,000	\$119,000
Total Cost	\$284,456,000	N/A	N/A	N/A	N/A	\$45,654,000	\$155,902,000	N/A	N/A	\$37,012,000	\$2,933,000
Total Premium	\$297,167,000	N/A	N/A	N/A	N/A	\$48,601,000	\$166,237,000	N/A	N/A	\$36,568,000	\$2,947,000
Gain (Loss)	\$12,711,000	N/A	N/A	N/A	N/A	\$2,947,000	\$10,335,000	N/A	N/A	(\$444,000)	\$14,000

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3C – Plan Year 2025 Aggregate Costs, page 2 of 3

	1525				2030			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	102	10,023	65	99	66	1,880	10	14
Incurred Medical Claims	\$826,000	\$49,507,000	\$188,000	\$303,000	\$405,000	\$11,396,000	\$137,000	\$157,000
Capitation	\$10,000	\$573,000	\$3,000	\$7,000	\$6,000	\$161,000	\$1,000	\$1,000
Incurred Prescription Drug Claims	\$319,000	\$78,493,000	\$464,000	\$712,000	\$132,000	\$4,340,000	\$20,000	\$22,000
Prescription Drug Rebates	(\$129,000)	(\$24,295,000)	(\$144,000)	(\$218,000)	(\$53,000)	(\$1,663,000)	(\$8,000)	(\$9,000)
EGWP Credits	\$0	(\$26,471,000)	(\$144,000)	(\$260,000)	\$0	(\$452,000)	N/A	(\$8,000)
Administrative Fees	\$45,000	\$3,869,000	\$19,000	\$38,000	\$34,000	\$848,000	\$4,000	\$8,000
Total Cost	\$1,071,000	\$81,676,000	\$386,000	\$582,000	\$524,000	\$14,630,000	\$154,000	\$171,000
Total Premium	\$1,220,000	\$82,322,000	\$576,000	\$853,000	\$778,000	\$20,001,000	\$119,000	\$188,000
Gain (Loss)	\$149,000	\$646,000	\$190,000	\$271,000	\$254,000	\$5,371,000	(\$35,000)	\$17,000
Employees								
Average Medical Members	98	2,535	N/A	N/A	64	1,695	N/A	N/A
Incurred Medical Claims	\$781,000	\$20,732,000	N/A	N/A	\$385,000	\$10,439,000	N/A	N/A
Capitation	\$9,000	\$229,000	N/A	N/A	\$6,000	\$151,000	N/A	N/A
Incurred Prescription Drug Claims	\$299,000	\$7,775,000	N/A	N/A	\$129,000	\$3,436,000	N/A	N/A
Prescription Drug Rebates	(\$121,000)	(\$3,140,000)	N/A	N/A	(\$52,000)	(\$1,388,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$43,000	\$1,129,000	N/A	N/A	\$33,000	\$769,000	N/A	N/A
Total Cost	\$1,011,000	\$26,725,000	N/A	N/A	\$501,000	\$13,407,000	N/A	N/A
Total Premium	\$1,145,000	\$28,526,000	N/A	N/A	\$736,000	\$18,258,000	N/A	N/A
Gain (Loss)	\$134,000	\$1,801,000	N/A	N/A	\$235,000	\$4,851,000	N/A	N/A
Early Retirees								
Average Medical Members	4	877	29	34	2	72	10	12
Incurred Medical Claims	\$45,000	\$9,987,000	\$125,000	\$147,000	\$20,000	\$713,000	\$137,000	\$156,000
Capitation	\$1,000	\$229,000	\$3,000	\$4,000	\$0	\$8,000	\$1,000	\$1,000
Incurred Prescription Drug Claims	\$20,000	\$4,400,000	\$76,000	\$88,000	\$3,000	\$94,000	\$20,000	\$22,000
Prescription Drug Rebates	(\$8,000)	(\$1,815,000)	(\$31,000)	(\$36,000)	(\$1,000)	(\$39,000)	(\$8,000)	(\$9,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,000	\$184,000	\$12,000	\$8,000	\$1,000	\$24,000	\$4,000	\$7,000
Total Cost	\$60,000	\$12,985,000	\$185,000	\$211,000	\$23,000	\$800,000	\$154,000	\$177,000
Total Premium	\$75,000	\$12,370,000	\$395,000	\$357,000	\$42,000	\$1,047,000	\$119,000	\$173,000
Gain (Loss)	\$15,000	(\$615,000)	\$210,000	\$146,000	\$19,000	\$247,000	(\$35,000)	(\$4,000)
Medicare Retirees								
Average Medical Members	N/A	6,611	36	65	N/A	113	N/A	2
Incurred Medical Claims	N/A	\$18,788,000	\$63,000	\$156,000	N/A	\$244,000	N/A	\$1,000
Capitation	N/A	\$115,000	\$0	\$3,000	N/A	\$2,000	N/A	\$0
Incurred Prescription Drug Claims	N/A	\$66,318,000	\$388,000	\$624,000	N/A	\$810,000	N/A	\$0
Prescription Drug Rebates	N/A	(\$19,340,000)	(\$113,000)	(\$182,000)	N/A	(\$236,000)	N/A	\$0
EGWP Credits	N/A	(\$26,471,000)	(\$144,000)	(\$260,000)	N/A	(\$452,000)	N/A	(\$8,000)
Administrative Fees	N/A	\$2,556,000	\$7,000	\$30,000	N/A	\$55,000	N/A	\$1,000
Total Cost	N/A	\$41,966,000	\$201,000	\$371,000	N/A	\$423,000	N/A	(\$6,000)
Total Premium	N/A	\$41,426,000	\$181,000	\$496,000	N/A	\$696,000	N/A	\$15,000
Gain (Loss)	N/A	(\$540,000)	(\$20,000)	\$125,000	N/A	\$273,000	N/A	\$21,000

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis
Exhibit 3C – Plan Year 2025 Aggregate Costs, page 3 of 3

	PPO 2035		HDHigh		HDLow		Tiered Network	
	Aetna	Horizon	Aetna	Horizon	Aetna	Horizon	Aetna	Horizon
Employees and Retirees								
Average Medical Members	23	602	69	586	86	743	1,890	20,319
Incurred Medical Claims	\$97,000	\$2,625,000	\$180,000	\$1,715,000	\$753,000	\$6,702,000	\$11,648,000	\$127,788,000
Capitation	\$2,000	\$53,000	\$5,000	\$40,000	\$6,000	\$56,000	\$196,000	\$2,109,000
Incurred Prescription Drug Claims	\$42,000	\$1,105,000	\$44,000	\$449,000	\$199,000	\$1,769,000	\$4,973,000	\$53,398,000
Prescription Drug Rebates	(\$17,000)	(\$446,000)	(\$18,000)	(\$182,000)	(\$80,000)	(\$715,000)	(\$2,009,000)	(\$21,574,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,000	\$318,000	\$40,000	\$347,000	\$38,000	\$392,000	\$1,150,000	\$12,287,000
Total Cost	\$133,000	\$3,655,000	\$251,000	\$2,369,000	\$916,000	\$8,204,000	\$15,958,000	\$174,008,000
Total Premium	\$211,000	\$5,826,000	\$463,000	\$3,869,000	\$796,000	\$7,094,000	\$15,312,000	\$167,204,000
Gain (Loss)	\$78,000	\$2,171,000	\$212,000	\$1,500,000	(\$120,000)	(\$1,110,000)	(\$646,000)	(\$6,804,000)
Employees								
Average Medical Members	23	602	68	558	86	723	1,868	20,120
Incurred Medical Claims	\$97,000	\$2,625,000	\$170,000	\$1,417,000	\$753,000	\$6,470,000	\$11,457,000	\$126,011,000
Capitation	\$2,000	\$53,000	\$5,000	\$39,000	\$6,000	\$54,000	\$194,000	\$2,088,000
Incurred Prescription Drug Claims	\$42,000	\$1,105,000	\$40,000	\$326,000	\$199,000	\$1,674,000	\$4,869,000	\$52,455,000
Prescription Drug Rebates	(\$17,000)	(\$446,000)	(\$16,000)	(\$131,000)	(\$80,000)	(\$676,000)	(\$1,966,000)	(\$21,185,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,000	\$318,000	\$39,000	\$329,000	\$38,000	\$381,000	\$1,140,000	\$12,182,000
Total Cost	\$133,000	\$3,655,000	\$238,000	\$1,980,000	\$916,000	\$7,903,000	\$15,694,000	\$171,551,000
Total Premium	\$211,000	\$5,826,000	\$453,000	\$3,628,000	\$796,000	\$6,859,000	\$15,061,000	\$164,861,000
Gain (Loss)	\$78,000	\$2,171,000	\$215,000	\$1,648,000	(\$120,000)	(\$1,044,000)	(\$633,000)	(\$6,690,000)
Early Retirees								
Average Medical Members	N/A	N/A	1	28	-	20	22	199
Incurred Medical Claims	N/A	N/A	\$10,000	\$298,000	\$0	\$232,000	\$191,000	\$1,777,000
Capitation	N/A	N/A	\$0	\$1,000	\$0	\$2,000	\$2,000	\$21,000
Incurred Prescription Drug Claims	N/A	N/A	\$4,000	\$123,000	\$0	\$95,000	\$104,000	\$943,000
Prescription Drug Rebates	N/A	N/A	(\$2,000)	(\$51,000)	\$0	(\$39,000)	(\$43,000)	(\$389,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$1,000	\$18,000	\$0	\$11,000	\$10,000	\$105,000
Total Cost	N/A	N/A	\$13,000	\$389,000	\$0	\$301,000	\$264,000	\$2,457,000
Total Premium	N/A	N/A	\$10,000	\$241,000	\$0	\$235,000	\$251,000	\$2,343,000
Gain (Loss)	N/A	N/A	(\$3,000)	(\$148,000)	\$0	(\$66,000)	(\$13,000)	(\$114,000)
Medicare Retirees								
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Numbers may not add due to rounding. Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 4A: Employee Plan Year 2025 Options Summary

State Actives												
	CWA Unity / CWA Unity Freedom PPO	CWA 2019 Unity / CWA 2019 Unity Freedom PPO	NJDIRECT / Freedom PPO Plan	NJDIRECT 2019 / Freedom 2019 PPO Plan ²	PPO15	HMO15	PPO1525	PPO2030	PPO2035	HDHigh	HDLow	Tiered Network
In-Network												
Deductible (Single/Family) ¹	None	\$100	None	\$100	None	None	None	None	\$200/\$500 for non-copayment services	\$4,150/\$8,300	\$1,650/\$3,300	Tier 1: \$0 Tier 2: \$1,500/\$3,000
Coinsurance OOP Maximum (Single/Family)	\$800/\$2,000	\$800/\$2,000	\$800/\$2,000	\$800/\$2,000	\$400/\$1,000	None	\$400/\$1,000	\$800/\$2,000	\$2,000/\$5,000	None	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$7,360/\$14,720	\$5,150/\$10,300	\$2,650/\$5,300	Tier 1: \$2,500/\$5,000 Tier 2: \$4,500/\$9,000
Overall Coinsurance	10% ³	10% ³	10% ³	10% ³	10% ³	10% ³	10% ³	10% ³	20%	20%	20%	Tier 1: None Tier 2: 20%
PCP	\$15 copay	\$15 copay	\$15 copay	\$15 copay	\$15 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$5 copay Tier 2: \$20 copay
Specialist	\$30 copay	\$30 copay	\$30 copay	\$30 copay	\$15 copay	\$30 copay	\$25 copay	\$30 copay / \$20 copay (child)	\$35 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$20 copay Tier 2: \$35 copay
Urgent Care	\$45 copay	\$45 copay	\$45 copay	\$45 copay	\$15 copay	\$45 copay	\$25 copay	\$30 copay / \$20 copay (child)	\$35 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$35 copay Tier 2: \$50 copay
Emergency Room	\$150 copay	\$150 copay	\$150 copay	\$150 copay	\$100 copay	\$100 copay	\$100 copay	\$125 copay	\$300 copay	20% coinsurance after deductible	20% coinsurance after deductible	\$100 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$150 copay Tier 2: 20% coinsurance after deductible
Out-of-Network												
Deductible (Single/Family)	\$400/\$1,000	\$400/\$1,000	\$400/\$1,000	\$400/\$1,000	\$100/\$250	Not covered	\$100/\$250	\$200/\$500	\$800/\$2,000	Combined with In-Network Deductible	Combined with In-Network Deductible	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	\$5,000/\$12,500	\$6,500/\$13,000	\$6,150/\$12,300	\$3,650/\$7,300	Not covered
Overall Coinsurance	30% (175% CMS)	30% (175% CMS)	30% (175% CMS)	30% (175% CMS)	30%	Not covered	30%	30%	40%	40%	40%	Not covered
MH/SA Coinsurance	30% (195% CMS)	30% (195% CMS)	30% (195% CMS)	30% (195% CMS)	30%	Not covered	30%	30%	40%	40%	40%	Not covered
Inpatient Hospital Deductible	\$500/Stay	\$500/Stay	\$500/Stay	\$500/Stay	None	Not covered	None	None	None	None	None	Not covered
Routine Lab Services	Not Covered	Not Covered	Not Covered	Not Covered	Not Covered	Not covered	Not covered	Not covered	Not covered	Not Covered	Not Covered	Not covered
Prescription Drug												
OOP Maximum (Single/Family)	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	\$1,840/\$3,680	Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance	\$1,840/\$3,680
Retail - Generic	\$7	\$7	\$7	\$7	\$3	\$3	\$7	\$3	\$7			\$7
Retail - Brand	\$16	\$16	\$16	\$16	\$10	\$10	\$16	\$18	\$21			\$16
Retail - Brand w/ Generic Available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference			Member Pays the Difference
Mail - Generic	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Mail - Brand	\$40	\$40	\$40	\$40	\$15	\$15	\$40	\$36	\$52			\$40
Mail - Brand w/ Generic Available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference			Member Pays the Difference

¹ For all HDHP plans the in-network and out-of-network OOP Maximum and the in-network Deductible for Medical and Prescription Drug are integrated.

² Actives that are hired on or after 7/1/2019 are automatically enrolled in the Unity PPO or Unity 2019 PPO Plan based on the Group they belong to.

³ On Select Services

The plan options shown above are provided for reference purposes and reflect potential options available to a member. The plan options shown above are not available for all members and can be dependent on multiple factors such as union designation, years of service, etc.

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 4B: Early Retiree Plan Year 2025 Options Summary

State Early Retirees												
	CWA Unity / CWA Unity Freedom PPO	NJDIRECT / Freedom PPO	PPO10	PPO15	HMO10	PPO1525	HMO1525	PPO2030	HMO2030	HDHigh	HDLow	Tiered Network
In-Network												
Deductible (Single/Family) ¹	\$0	\$0	None	None	None	None	None	None	None	\$4,150/\$8,300	\$1,650/\$3,300	Tier 1: \$0 Tier 2: \$1,500/\$3,000
Coinsurance OOP Maximum (Single/ Family)	\$800/\$2,000	\$800/\$2,000	None	\$400/\$1,000	None	\$400/\$1,000	None	\$800/\$2,000	None	None	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$7,849/\$15,698	\$7,849/\$15,698	\$400/\$1,000	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$5,150/\$10,300	\$2,650/\$5,300	Tier 1: \$2,500/\$5,000 Tier 2: \$4,500/\$9,000
Overall Coinsurance	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	20%	20%	Tier 1: None Tier 2: 20%
PCP	\$15 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$5 copay Tier 2: \$20 copay
Specialist	\$15 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2: \$30 copay
Urgent Care	\$15 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2: \$30 copay
Emergency Room	\$150 copay	\$150 copay	\$75 copay	\$100 copay	\$85 copay	\$100 copay	\$100 copay	\$125 copay	\$125 copay	20% coinsurance after deductible	20% coinsurance after deductible	\$100 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$150 copay Tier 2: 20% coinsurance after deductible
Out-of-Network												
Deductible (Single/Family)	\$400/\$1000	\$400/\$1000	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered	Combined with In-Network Deductible	Combined with In-Network Deductible	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered	\$6,150/\$12,300	\$3,650/\$7,300	Not covered
Overall Coinsurance	30% (175% CMS)	30% (175% CMS)	20%	30%	Not covered	30%	Not covered	30%	Not covered	40%	40%	Not covered
MH/SA Coinsurance	30% (195% CMS)	30% (195% CMS)	20%	30%	Not Covered	30%	Not Covered	30%	Not Covered	40%	40%	Not covered
Inpatient Hospital Deductible	\$500/Stay	\$500/Stay	\$200/Stay	\$200/Stay	Not Covered	\$200/Stay	Not Covered	\$500/Stay	Not Covered	None	None	Not covered
Routine Lab Services	Not Covered	Not Covered	Not Covered	Not Covered	Not Covered	Not Covered	Not Covered	Not Covered	Not covered	Not Covered	Not Covered	Not covered
Prescription Drug												
OOP Maximum (Single/Family)	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance	\$1,351/\$2,702
Retail - Generic	\$7	\$7	\$10	\$10	\$6	\$7	\$7	\$3	\$3			\$7
Retail - Preferred Brand	\$16	\$16	\$22	\$22	\$12	\$16	\$16	\$18	\$18			\$16
Retail - Non-Preferred Brand	\$35	\$35	\$44	\$44	\$24	\$35	\$35	\$46	\$46			\$35
Retail - Brand w/ Generic available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference			Member Pays the Difference
Mail - Generic	\$18	\$18	\$5	\$5	\$5	\$5	\$5	\$5	\$5			\$18
Mail - Preferred Brand	\$40	\$40	\$28	\$28	\$18	\$40	\$40	\$36	\$36			\$40
Mail - Non-Preferred Brand	\$88	\$88	\$55	\$55	\$30	\$88	\$88	\$92	\$92			\$88
Mail - Brand w/ Generic available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference			Member Pays the Difference

¹ For all HDHP plans the in-network and out-of-network OOP Maximum and the in-network Deductible for Medical and Prescription Drug are integrated.

²On Select Services

The plan options shown above are provided for reference purposes and reflect potential options available to a member. The plan options shown above are not available for all members and can be dependent on multiple factors such as union designation, years of service, etc.

SHBP Plan Year 2024 Mid-Year Experience Analysis

Exhibit 4C: Medicare Retiree Plan Year 2025 Options Summary

	State Medicare Advantage ²				State Medicare Supplement				
	PPO10	PPO15	HMO10	HMO1525	HMO10	PPO1525	HMO1525	PPO2030	HMO2030
In-Network									
Deductible (Single/Family)	None	None	None	None	None	None	None	None	None
Coinsurance OOP Maximum (Single/Family) ¹	None	None	None	None	None	\$400/\$1,000	None	\$800/\$2,000	None
Total In-Network OOP Maximum (Single/Family)	\$400 per person	\$1,000 per person	\$2,500 per person	\$2,500 per person	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698	\$7,849/\$15,698
Overall Coinsurance	None	None	None	None	10% ⁵	10% ⁵	10% ⁵	10% ⁵	10% ⁵
PCP	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay
Specialist	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay / \$20 copay (child)	\$30 copay / \$20 copay (child)
Urgent Care	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay / \$20 copay (child)	\$30 copay / \$20 copay (child)
Emergency Room	\$75 copay	\$75 copay	\$75 copay	\$75 copay	\$85 copay	\$100 copay	\$100 copay	\$125 copay	\$125 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge
Out-of-Network									
Deductible (Single/Family)	None	None	Not Covered	Not Covered	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered
Coinsurance OOP Maximum (Single/Family) ¹	None	None	Not Covered	Not Covered	Not covered	None	Not covered	None	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$400 per person; Combined with IN OOP	\$1,000 per person; Combined with IN OOP	Not Covered	Not Covered	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered
Overall Coinsurance	None	None	Not Covered	Not Covered	Not covered	30%	Not covered	30%	Not covered
Prescription Drug⁴									
OOP Maximum (Single/Family)	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702
Retail - Generic	\$10	\$10	\$6	\$7	\$6	\$7	\$7	\$3	\$3
Retail - Preferred Brand	\$22	\$22	\$12	\$16	\$12	\$16	\$16	\$18	\$18
Retail - Non-Preferred Brand	\$44	\$44	\$24	\$35	\$24	\$35	\$35	\$46	\$46
Mail - Generic ³	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Mail - Preferred Brand ³	\$28	\$28	\$18	\$40	\$18	\$40	\$40	\$36	\$36
Mail - Non-Preferred Brand ³	\$55	\$55	\$30	\$88	\$30	\$88	\$88	\$92	\$92

¹ Coinsurance OOP Maximum applies on the applicable Horizon plans for IN outpatient private duty nursing, IN or OON ambulance, DME and some prosthetic and orthotic services

² Medicare Advantage plans do not have In-Network and Out-of-Network differentiation. Medicare Advantage plans provide coverage at the same benefit level regardless of network status for visits to any provider that accepts Medicare.

³ Mail Copay amounts shown above are for 30 day prescriptions. Copays for 90-day prescriptions may differ.

⁴ 30-day copays for Specialty Pharmacy in the Employer Group Waiver Plan (EGWP) range from \$1 for generic, \$6-\$13 for preferred brand, and \$10-\$30 for non-preferred brand depending on retiree plan option.

⁵ On Select Services

The plan options shown above are provided for reference purposes and reflect potential options available to a member. The plan options shown above are not available for all members and can be dependent on multiple factors such as union designation, years of service, etc.

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